

REORGANIZATION PLAN NO. 4 OF 1965
(INTERAGENCY COMMITTEES)

*Make up file
for September
change 1965*

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
FIRST SESSION

JULY 14, 1965

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III

REORGANIZATION PLAN NO. 4 OF 1965
(Interagency Committees)

WEDNESDAY, JULY 14, 1965

HOUSE OF REPRESENTATIVES,
EXECUTIVE AND LEGISLATIVE
REORGANIZATION SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2203, Rayburn Office Building, Hon. William L. Dawson (chairman of the subcommittee) presiding.

Present: Representatives William L. Dawson, Henry S. Reuss, John N. Erlenborn, and John W. Wydler.

Also present: Elmer W. Henderson, subcommittee counsel; James A. Lanigan, general counsel Committee on Government Operations; and J. P. Carlson, minority counsel.

(Message from the President transmitting Reorganization Plan No. 4 of 1965 follows:)

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING REORGANIZATION PLAN NO. 4 OF 1965, RELATIVE TO REORGANIZATIONS OF VARIOUS COMMITTEES AND OTHER SIMILAR BODIES

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1965, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for reorganizations of various committees and other similar bodies.

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

As government grows more complex and programs increasingly cut across traditional agency lines, we must exercise special care to prevent the continuance of obsolete interagency committees and other coordinating devices which waste time and delay action and the undue proliferation of new committees. Interagency committees are a valuable and often indispensable means of facilitating coordination, but we should be sure that a committee is the most efficient way to accomplish a given task and that it is structured to meet current needs effectively.

At my direction, guidelines for the management of interagency committees have been established. I have recently asked the heads of departments and agencies to give their personal attention to a complete review of all the interagency committees in which their agencies participate to determine which ones might be eliminated, consolidated or otherwise reorganized. We will take appropriate action to obtain essential improvements in the organization and use of those committees which have been established by the executive branch.

The reorganizations accomplished by the reorganization plan transmitted herewith will enable us to take similar action with respect to a number of committees which have been established by statute. In many instances the statutory provisions creating these committees are very specific as to membership and describe

in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The accompanying reorganization plan will abolish nine statutory committees. In each case the responsibility for providing suitable arrangements to assure effective consultation and coordination is placed in a specific official. Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board of Foreign Service and the National Advisory Council on International Monetary and Financial Problems. But we will have the flexibility promptly to make such changes in functions and membership as might be required to eliminate overlapping and duplication and to adjust to the development of new programs and shifts in executive branch responsibilities.

A number of the committees affected by the reorganization plan are advisory to the President or have functions which are closely related to responsibilities already vested in the President. The functions of those committees will be transferred to the President by the reorganization plan. The functions of the others will be transferred to the appropriate individual agency heads.

The management and control of interagency committees have been a matter of growing concern to both the executive branch and the Congress. The taking effect of the reorganization plan will contribute significantly to better management of interagency committees and will assist efforts to simplify and modernize coordinating arrangements within the executive branch.

Executive Order No. 10940 of May 11, 1961, provides for the President's Committee on Juvenile Delinquency and Youth Crime. The Secretary of Health, Education, and Welfare is required to consult with that committee on matters of general policy and procedure arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and to consider certain recommendations of that committee (42 U.S.C. 2546(b)). To require the Secretary by law to consult with a committee established by Executive order is clearly anomalous. The plan abolishes the relevant functions of the Secretary with respect to consulting and considering the recommendations of the President's Committee. The reorganization plan does not otherwise affect the Committee; it has no effect upon Executive Order No. 10940. The statutory authority for the exercise of the functions to be abolished by section 13(b) of the reorganization plan is contained in section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 (75 Stat. 574).

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 4 of 1965 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

Although the reorganizations provided for in the reorganization plan will not of themselves result in immediate savings, the improvement achieved in administration will in the future allow the performance of the affected functions at lower costs and in a more timely manner than at present. It is however, impracticable to specify or itemize at this time the reductions of expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan.

I recommend that the Congress allow the accompanying reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, May 27, 1965.

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Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1949, pursuant to the provisions of the Reorganization Act of 1949 (63 Stat. 203), as amended

ABOLITION OF CERTAIN COMMITTEES, COUNCILS, AND BOARDS

PART I

SECTION 1. *Transfer of functions.* All functions of each of the following-named bodies, together with all functions of the Chairman and of other officers of each thereof, are hereby transferred to the President of the United States:

(a) The National Housing Council, provided for in section 6 of Reorganization Plan No. 3 of 1947 (61 Stat. 955) as affected by (i) section 502(a) of the Housing Act of 1948 (62 Stat. 1283; 12 U.S.C. 1701c), (ii) section 603 of the Housing Act of 1949 (63 Stat. 440; 12 U.S.C. 1701i), and by (iii) section 615 of the Defense Housing and Community Facilities and Services Act of 1951 (65 Stat. 317; 12 U.S.C. 1701i-1).

(b) The National Advisory Council on International Monetary and Financial Problems, provided for in section 4 of the Bretton Woods Agreements Act (59 Stat. 512), as amended (22 U.S.C. 286b).

(c) The Board of the Foreign Service, provided for in section 211 of the Foreign Service Act of 1946 (60 Stat. 1901; 22 U.S.C. 826).

(d) The Board of Examiners for the Foreign Service, provided for in section 212 of the Foreign Service Act of 1946 (22 U.S.C. 827).

(e) The Civilian-Military Liaison Committee, provided for in section 204 of the National Aeronautics and Space Act of 1958 (72 Stat. 431), as amended (42 U.S.C. 2474).

Sec. 2. *Performance of transferred functions.* The President may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions transferred by the provisions of section 1 of this reorganization plan by any other officers of the executive branch of the Government or by any agencies or employees of that branch.

Sec. 3. *Abolition of bodies.* (a) Each of the bodies referred to in paragraphs (a) to (e), of section 1 of this reorganization plan is hereby abolished.

(b) The President shall make or cause to be made such provisions as may be necessary with respect to the winding up of any outstanding affairs of the bodies abolished by the provisions of section 3 of this reorganization plan.

PART II

Section 11. *Transfer of functions.* (a) There are hereby transferred to the Chairman of the United States Civil Service Commission all functions of the Advisory Council on Group Insurance, provided for in section 12(a) of the Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 742; 5 U.S.C. 2101(a)).

(b) There are hereby transferred to the Administrator of the Small Business Administration all functions of the Loan Policy Board of the Small Business Administration, provided for in section 4(d) of the Small Business Act (72 Stat. 385; 15 U.S.C. 633(d)).

(c) There are hereby transferred to the Secretary of the Interior all functions of the advisory board provided for in section 2(a) of the Act of August 20, 1937 (50 Stat. 732), as amended (16 U.S.C. 832a(a)), commonly referred to as the Bonneville Power Advisory Board.

(d) There are hereby transferred to the Attorney General all functions of the Awards Board provided for in section 3 of the Atomic Weapons Rewards Act of 1955 (69 Stat. 365; 50 U.S.C. 47b).

(e) The transfers made by subsections (a) to (d), inclusive, of this section shall be deemed to include all functions of the Chairman and of other officers of the respective transferor bodies referred to in those subsections.

Sec. 12. *Performance of transferred functions.* Each officer to whom functions are transferred by the provisions of section 11 of this reorganization plan may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions so transferred to him by his subordinate officers, employees, or agencies.

Sec. 13. *Abolitions.* (a) Each of the bodies the functions of which are transferred by the provisions of section 11 of this reorganization plan is hereby abolished. Each officer to whom functions are transferred by those provisions shall make such

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provisions as may be necessary to carry out any outstanding functions of the body or bodies the functions of which are so transferred to him.
(b) The functions vested in the Secretary of Health, Education, and Welfare by the provisions of section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 (75 Stat. 574 (42 U.S.C. 2546(b))) are hereby abolished.

Chairman DAWSON. The subcommittee will come to order.

These hearings have been called to consider two reorganization plans transmitted to the Congress on May 27 by President Lyndon B. Johnson.

Reorganization Plan No. 4 of 1965 transfers the functions of a number of interagency committees to the President or, in some cases, to the heads of certain departments and agencies. The committees are then abolished. It is the opinion of the President that these committees have become obsolete and no longer serve the purpose intended for them.

Reorganization Plan No. 5 of 1965 involves only the National Science Foundation. A number of divisional committees within that agency are abolished and the Director of the Foundation is given the authority to delegate his functions to other officers or employees within the Foundation.

Mr. Harold Seidman, Assistant Director of the Bureau of the Budget, will testify on both plans. At the conclusion of his remarks on Plan No. 4, he will be available for interrogation by the subcommittee on that plan.

Mr. Seidman and Dr. Leland J. Haworth, Director of the National Science Foundation, will then testify on Plan No. 5 and, of course, both will be available for interrogation on that plan.

Our first witness will be Mr. Seidman.

Mr. SEIDMAN. I am always glad to be here, Mr. Chairman.

I am accompanied, again, by Mr. Fred Levi, Assistant Chief of the Office of Management and Organization.

Mr. Chairman, I have a prepared statement. With your permission, I will proceed.

**STATEMENT OF HAROLD SEIDMAN, ASSISTANT DIRECTOR FOR
MANAGEMENT AND ORGANIZATION, BUREAU OF THE BUDGET;
ACCOMPANIED BY FRED LEVI, ASSISTANT CHIEF**

Mr. SEIDMAN. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before your subcommittee in support of Reorganization Plans Nos. 4 and 5 of 1965. Reorganization Plan No. 4 will abolish nine statutory interagency committees and eliminate a statutory requirement now applicable to one committee established by Executive order. In each case all functions of the abolished committee are transferred, as may be appropriate, either to the President or a specifically designated official. Reorganization Plan No. 5 will abolish all functions of the divisional committees provided for by section 8 of the National Science Foundation Act and, in addition, will authorize certain delegations by the Director of the National Science Foundation. The two plans were transmitted by the President to the Congress on May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, as amended.

The President has emphasized that there is a continuing need to reorganize and modernize the structure of the executive branch to

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provide the most effective administration of current and future programs. As he stated in transmitting Reorganization Plan No. 4:

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast, flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

The need for flexibility and adaptability is particularly critical in the area of interagency mechanisms for coordinating Federal programs and providing advice to the President and key officials.

The complexity of modern government often requires that responsibility for related or complementary activities be placed in different departments and agencies of the executive branch. These programs must be coordinated in an effort to obtain the best possible utilization of the Government's resources. One of the chief mechanisms for obtaining coordination is the interagency committee.

Committees presently deal with a wide variety of programs and subjects ranging from national security policy to the coordination of the use of costly automatic data processing equipment. However, they are effective only when they are properly utilized. Otherwise, as the President has said, they waste time, delay action and result in undesirable compromise. Committees must constantly be reviewed to assure that they meet current requirements and are directed toward useful and productive goals.

While it is possible for the President and the agency heads to adjust the organization and functions of committees which are established by Executive action, they do not have the authority to reorganize and modernize certain committees created in statute. As a result, as time goes on, those committees often cannot be adapted to meet changes in law, reassignments of responsibilities within the executive branch and the development of new programs. The President has noted that:

In many instances the statutory provisions creating these committees are very specific as to membership and describe in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The President has transmitted Reorganization Plan No. 4 to provide necessary flexibility in carrying out certain coordinating and advisory functions now vested in specific statutory committees. The plan would abolish the National Housing Council, the National Advisory Council on International Monetary and Financial Problems, the Board of the Foreign Service, the Board of Examiners of the Foreign Service and the Civilian-Military Liaison Committee established in the National Aeronautics and Space Act. Since these groups carry out functions which may be of direct Presidential concern, the plan provides for the transfer of their functions to the President and gives him the authority to provide for their performance. It should be noted that the President has said:

Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board

of Foreign Service and the National Advisory Council on International Monetary and Financial Problems.

The reorganization plan would also abolish the Advisory Council on Group Insurance, the Loan Policy Board of the Small Business Administration, the Bonneville Power Advisory Board and the Atomic Weapons Awards Board. Those groups perform functions primarily of concern to certain agency heads, and their functions would be transferred to those agency heads who would provide for their performance in an appropriate manner. Finally, the plan would abolish the statutory requirement that the Secretary of Health, Education, and Welfare consult with the President's Committee on Juvenile Delinquency and Youth Crime on matters of general policy and procedures arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and consider recommendations of that Committee. The President's Committee was established by Executive Order No. 10940, May 11, 1961.

As a result of the taking effect of the reorganization plan, the President and the heads of the agencies involved will have the necessary authority and flexibility to carry out, in a manner appropriate to meet current needs, the coordinating and advisory functions of groups being abolished. The plan will assure that timely and efficient mechanisms can be utilized. Accordingly, I recommend that Reorganization Plan No. 4 of 1965 be allowed to become effective.

I would also like to point out that the reorganization plan represents only a part of the administration's program to control and manage the approximately 550 interagency committees that now exist. The guidelines for that program are contained in the Bureau of the Budget Circular No. A-63, entitled "Management of Interagency Committees." The circular places the principal responsibility for committee management on agency heads, requires periodic reviews and reports, and a positive determination by the agency head before any committee can continue for longer than 2 years. Under the circular, the Bureau also retains the authority to approve the use of certain devices such as dual or rotating chairmanships and the financing of committees by agency contributions.

Chairman DAWSON. Mr. Reuss.

Mr. REUSS. Thank you, Mr. Chairman.

Mr. Seidman, why does the plan affect these 9 out of the total of 550 interagency committees?

Mr. SEIDMAN. Mr. Reuss, most of the 550 were established by Executive action, so that the President can take the necessary measures to assure modifications to meet current requirements. In other words, they have either been established by Executive order of the President or by administrative action of a department head.

Mr. REUSS. Are these the only nine interagency committees established by statute?

Mr. SEIDMAN. No; they are not.

Mr. REUSS. How many are there?

Mr. SEIDMAN. I think there are approximately 16 such committees.

Mr. REUSS. What about the other seven?

Mr. SEIDMAN. Certain of the other committees which we had excluded from consideration at this time—I think some are questionable as to whether you can call them committees. Some function in effect as a board of directors, and some have functions vested

in them—such as the Board of Directors of the Virgin Islands Corporation, which technically is an interagency committee. It includes representatives from a number of agencies. But on the other hand, it acts as a Board of Directors of the Virgin Islands Corporation. We excluded that type of body from consideration.

Mr. REUSS. Would you file at this point in the record, Mr. Seidman, a listing of the seven statutory interagency committees or near committees not included in this reorganization order, together with some explanation of why they are not included? I am sure there is a good explanation in each case.

(The listing requested follows:)

LIST OF ADDITIONAL EXECUTIVE BRANCH INTERAGENCY COMMITTEES WHICH MIGHT HAVE BEEN INCLUDED IN REORGANIZATION PLAN NO. 4 OF 1965

There are approximately 52 committees established in statute which include agencies of the executive branch. The largest number of these committees are public advisory groups with one or two agencies included among the members. Several are composed of members from both the legislative and executive branches. These two types of committees fall outside the scope of this reorganization plan. Also excluded from this review are interagency groups which have the status of agencies (e.g. the National Security Council), have quasi-judicial or operating functions (e.g. Foreign Trade Zones Board) or act as Boards of Directors for Federal educational, scientific, or cultural activities (e.g. Board of Trustees of the John F. Kennedy Center for the Performing Arts). The following is a list of the remaining seven executive branch interagency committees which might have been included in the reorganization plan along with the reasons they were excluded.

Name	Reason the committee was not included in the plan
1. Board of Geographic Names-----	Additional members may be added from time to time.
2. Adjustment Assistance Advisory Board.	President has authority to designate additional members.
3. Area Redevelopment Advisory Policy Board.	The Public Works and Redevelopment Act of 1965 permits the President to name all members.
4. Economic Opportunity Council----	Permits the President to add members from time to time.
5. Committee for Statistical Annotation of Tariff Schedules.	No specification of membership or device to be used.
6. Trade Expansion Act Advisory Committee.	President has full authority to name the members.
7. Development Loan Committee----	President has authority to establish membership.

Mr. REUSS. A particularly august interagency committee which you are abolishing under this Reorganization Plan No. 4—though the President notes that he will reconstitute it—is the National Advisory Council on International Monetary and Financial Problems, which was set up under the Bretton Woods legislation in 1944, I believe.

I have had some problems with it in the past because it developed symptoms of bureaucratic sluggishness. I know that on one occasion Congress was sent a document bearing the imprimatur of the National Advisory Council, but when I inquired why it had not been signed by the five members I found out they had not met or really done anything about it—that somebody in the backroom had prepared their recommendation.

How will this reorganization plan change the National Advisory Council?

Mr. SEIDMAN. I can point to some of the problems, Mr. Reuss, which have resulted from the statutory status of the National Advisory Council on International Monetary and Financial Problems.

We are now considering within the executive branch—the Treasury Department has submitted a draft of a proposed Executive order which would reestablish a new—

Mr. REUSS. Would the same members—

Mr. SEIDMAN. They are proposing the same members. One of the problems here is that at the time of the creation of this council, the only significant foreign lending program that we had in the Federal Government was basically the Export-Import Bank. A major concern at the time it was established was really to determine the U.S. Government policy in the International Bank and Fund, and to provide a vehicle for instructing our delegates to the Bank and Fund, and to coordinate their activities with the Export-Import Bank.

Of course, since that time we have developed major international financial programs which are carried out through the Agency for International Development and through the Public Law 480 program of the Department of Agriculture.

Now, the membership of the NAC remains the same. It includes the State Department, Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President of the Export-Import Bank.

It is a good question, as to whether the membership ought to be revised in the light of current programs we are carrying out within the Federal Government—particularly should the Secretary of Agriculture be a member—this is certainly one of the questions which ought to be considered.

Mr. REUSS. Under this reorganization plan, it could be abolished and not reconstituted at all, could it not?

Mr. SEIDMAN. That is right. The President may well determine under certain circumstances that other arrangements would be more effective in doing the job that needs to be done.

Mr. REUSS. And as you have indicated, it can equally be reconstituted, but with certain present members left off, and others added.

Mr. SEIDMAN. That is correct. I do not know what the decision will be. For example, I know from time to time the Secretary of Labor has indicated that it might well be appropriate to have the Department of Labor represented on the NAC.

As programs change, we have not wanted to go up for an amendment, merely to change the membership on one of these committees. It is time consuming.

Mr. REUSS. I have had frequent opportunities to deal with the National Advisory Council, and I may say that I am not going to weep at its funeral here. I see no particular reason why it should be retained as a statutory council. Furthermore, I am not at all sure, if I may give some gratuitous advice, that it should be formally reconstituted once and for all. It is set up to give advice on the International Monetary Fund and the World Bank—an agency which now includes several subsidiaries which did not exist back then. And I should think that quite different people might be required to give advice on, let us say, the IDA aspect of the World Bank, than would be required to give advice, let us say, on international monetary matters. Certainly the Secretary of the Treasury ought to give advice on international monetary matters. But I should think that, equally, the Director of the AID should be consulted on what becomes

Mr. SEIDMAN. Well, that is certainly a type of issue that will be given very careful consideration.

Mr. WYDLER. Would the gentleman yield to me at this point?

How many times in the last year did the National Advisory Council meet?

Mr. SEIDMAN. The staff—

Mr. WYDLER. I am talking about the full Council.

Mr. SEIDMAN. The full Council has not met very frequently, and during the period when Mr. Humphrey was Secretary of the Treasury under the Eisenhower administration, it did not meet at all.

Mr. REUSS. The gentleman from New York has put his finger on one of the difficulties. Here you have the Secretary of State and the Secretary of the Treasury, the Secretary of Commerce, plus other important officials on this Council. Yet, under the statute, they are required to give advice on the most picayune little matters concerning the International Monetary Fund. On at least one occasion I was distressed to find that this great organism spoke, yet the Secretaries of State, Treasury, and so on had not really been there, had not met. And while they later hastily got together and signed the document, it was not a very good way of giving advice.

Mr. WYDLER. They ratified it.

Mr. SEIDMAN. I might point out that these committees often do work informally where they involve Cabinet-level people.

In the case of the NAC there is a very active staff for the committee, and problems are considered at the staff level in weekly meetings. This includes not only the staff of the NAC, but of the various agencies.

Very often the principals will talk to each other on the telephone about some of the issues which are before the Council, rather than have a formal meeting. But the bulk of the work certainly is done at the staff level.

Mr. REUSS. Well, I conclude by saying that in general I think this is a useful reorganization plan. But I would hope that the President might review his determination as expressed in your statement that "Prompt action will be taken to create successor committees to such bodies as the National Advisory Council on International Monetary and Financial Problems." I am not really sure that formal committee constitution is what is needed to get this kind of advice, and I would hate to see that done under an Executive order which merely repeats the stratification that Congress achieved when it put this into the law.

Mr. SEIDMAN. We are now soliciting the views of the other agencies in the executive branch on the draft proposed by Treasury, and I am sure we will have suggestions coming from the Department of State and the Agency for International Development and the Department of Agriculture and others as to the course of action which ought to be taken.

I do feel strongly we do need in this particular area a more formal type of coordinating mechanism. This is without saying exactly what its function should be or its membership. But I think there is a need.

Mr. REUSS. Thank you, Mr. Chairman.

Chairman DAWSON. Mr. Erlenborn.

Mr. ERLENBORN. I have no questions.

Chairman DAWSON. Mr. Wydler?

Mr. WYDLER. Thank you, Mr. Chairman.

I would like you to explain the final part of this plan, which is the reason why we are not going to have the Secretary of Health, Education, and Welfare consult with the President's Committee any longer. Why is that?

Mr. SEIDMAN. This is a very curious provision in the law. The President's Committee was set up by Executive order. It was not set up in law. And then by statute the Secretary of Health, Education, and Welfare was required to consult with a committee which was created by the President by Executive order. This is a rather anomalous provision. If the President chose to abolish this committee, which he has full authority to do, then there would be a question as to how the Secretary of Health, Education, and Welfare could carry out this function assigned to him by law.

Mr. WYDLER. Is this actually creating a real problem, or is this just something to obviate a problem that might arise, or what?

Mr. SEIDMAN. It obviates a problem that might arise, because it would create difficulties at such time as the President might determine that the President's Committee had outlived its usefulness, and he would want to abolish it. But he would in effect be barred by the existence of this statutory provision—in effect, be debarred from abolishing the Committee, unless he wanted to raise questions with respect to how the Secretary of Health, Education, and Welfare administered this act.

This relates to the general program which the President has instructed us to carry out within the executive branch. In effect the President has said that he wants each interagency committee reviewed each 2 years, and if there isn't an affirmative determination by the responsible official that it needs to be continued, its life ends at the end of 2 years.

The President believes—and I think we have made available to the committee staff a copy of the President's statement on the committee problem—that while the Interagency Committee is a highly useful and often an indispensable device, when they outlive their usefulness, they often become serious obstacles to the most efficient performance of functions within the executive branch of the Government.

The Jackson subcommittee, in their study of national policy machinery, in the Senate, went into this at great length—that the interagency committees very often slow down the process of Government considerably without contributing anything positive.

Mr. WYDLER. Was somebody complaining about this requirement, perhaps the Secretary of Health, Education, and Welfare?

Mr. SEIDMAN. No; there was no complaint. This was part of the general review we undertook of interagency committees at the request of the President. And this was one clearly anomalous provision, where the Congress had by law required an agency head to consult a committee established by the President by Executive order.

Mr. WYDLER. All right.

Now, I am most interested in this elimination of the Civilian Military Liaison Committee in NASA.

Who are the members of that committee?

Mr. SEIDMAN. The Committee has had one meeting in July 1959, and has never met since.

Mr. WYDLER. Well, after seeing some of the problems in that agency, I think they might have met for some good purposes in the past.

I am just curious—who are the members?

Mr. SEIDMAN. Well, the law provides that the Committee shall consist of a Chairman who should be appointed by the President and serve at the pleasure of the President, one or more representatives from the Department of Defense, and one or more representatives from each of the Departments of Army, Navy, and Air Force, to be assigned by the Secretary of Defense to serve on the Committee. And then representatives from NASA to be assigned by the Administrator, to serve on the Committee, equal in number to the number of representatives assigned to serve on the Committee from Defense. So you have an equal number from Defense and NASA.

We do have another coordinating mechanism here. And this is one of the reasons that this Committee has never met.

The functions which were contemplated would be performed by the Civilian-Military Liaison Committee are now performed by the Aeronautics and Astronautics Coordinating Board, which is co-chaired by the NASA Administrator and the Secretary of Defense.

Mr. WYDLER. In other words, they have raised the level of this Board up in effect.

Mr. SEIDMAN. That is right.

Mr. WYDLER. Because, I will tell you quite frankly, my experience on the Science and Astronautics Committee has been that this area of civil-military liaison is a very important one, and one where we could use improvement. And therefore I would think this would be a little inconsistent to eliminate that Committee if it was really performing any function at all, or if it could perform some useful function.

Mr. SEIDMAN. Well, I think this illustrates the problem—I do not think a statutory committee can achieve the kind of coordination which is desired unless it is suited to the needs which are presented in a particular area. And in this case it was found that other arrangements would be more satisfactory and the Secretary of Defense and the Administrator of NASA established the Aeronautics and Astronautics Coordinating Board.

These committees which are provided for in statute—some of them have never met.

We have one which is included in the plan, the Atomic Weapons Awards Board—which has never met.

Mr. WYDLER. Would that be true of the National Housing Council?

Mr. SEIDMAN. The National Housing Council has not met since 1960.

Mr. WYDLER. Those are all the questions I have, Mr. Chairman.

Mr. HENDERSON. If these committees are set up by statute, isn't there some requirement that they meet; and is this requirement of law being violated?

Mr. SEIDMAN. Mr. Henderson, most of them do not have any requirement in the law as to numbers of meetings. They merely provide for a council and designate the membership and assign to it some broad, general functions. There is usually not a requirement that they have so many meetings per year or so. I do not think any provision of law is being ignored here.

Mr. HENDERSON. What happens to the staffs of these committees that are abolished?

Mr. SEIDMAN. Most of these committees, as I said, have either met very infrequently, or some not at all, and do not have any staff. The staff services are provided from the regular staff of the agency.

The National Advisory Council does have a staff. However, they are on the rolls of the Treasury Department—they are not on the payroll of the Committee or Council itself. So their status will not be changed—particularly in the case of the NAC.

Mr. HENDERSON. Thank you.

Chairman DAWSON. Any further questions of Plan No. 4?

(Whereupon, at 10:30 a.m., the subcommittee proceeded to further business on Reorganization Plan No. 5 of 1965.)

APPENDIX

THE WHITE HOUSE,
Washington, D.C., February 25, 1965.

Memorandum for the heads of Departments and Agencies:

I have just completed a review of 119 interdepartmental committees of the Government that have been established by law or by Presidential directive.

Interdepartmental committees can often greatly facilitate coordination. But extreme care must be exercised to make sure that a committee is the most efficient way to accomplish a given task and to assure that committees are used effectively.

Improper use of committees can waste time, delay action, and result in undesirable compromise. Each participant in committee deliberations should assess the work of the group continuously to assure that it is directed toward valid and useful purposes. Committees that are not clearly accomplishing such purposes should be reformed or abolished.

I have asked the Budget Director to review the need for a number of committees. Where appropriate, he will recommend steps to abolish or merge a number of them, or to have their functions performed in other ways. I want you to lend your full cooperation to this undertaking.

Pursuant to Bureau of the Budget Circular A-63, you will soon be preparing a report on interdepartmental committees for fiscal year 1965. I have asked for a report on the results of this year's review. You should apply the highest standard of usefulness and effectiveness in your review of committees chaired by your agency, however established. I have been advised that 163 committees were terminated in fiscal year 1964, while 203 were established. We can and must do better than this.

On November 19, I said to the Cabinet that to provide for the new programs of the Great Society we must take steps to reform or eliminate existing programs where such action is indicated. This principle should guide you in your review of interdepartmental committees.

LYNDON B. JOHNSON.

Circular No. A-63

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 2, 1964.

To: The heads of Executive Departments and Establishments.
Subject: Management of interagency committees.

1. *Purpose and scope.*—This circular sets forth general guidelines and instructions for the establishment, use, and termination of interagency committees. To the extent consistent with law, it applies to all departments and agencies of the executive branch.

For purposes of this circular, the term "interagency committee" means any formally constituted committee, board, commission, council, conference, panel, task force, or other similar group, or any subcommittee or other subgroup thereof, that is composed of officers or employees of more than one department or agency of the Government and that is organized to meet from time to time for purposes of formulating advice or recommendations, or for any other stated purpose.

Executive Order No. 11007 of February 26, 1962, prescribes certain regulations regarding the use of public advisory committees. There are a few such committees which have members from two or more Federal agencies in addition to the public members. Such committees are also included within the scope of this circular which establishes additional (and complementary) guidelines regarding interagency committees.

2. General policies.—

(a) *Responsibility for committees.*—The responsibility for the management of interagency committees (hereafter referred to as committees) rests with the chairmen of such committees or, in cases where a subordinate official chairs a committee, with the head of his department or agency. The chairman should be held responsible for the conduct of all committee activities. Dual or rotating chairmanships may have the effect of confusing or dividing responsibility for the committee's work and should generally be avoided.

The chairman should direct the administrative arrangements for the committee including the calling of meetings and preparation of agenda and reports. Secretariat services should generally be provided in full by the chairing agency.

(b) *Agency contributions.*—Contributions by member agencies (other than the chairing agency) to the support of committees should be limited to cases where the subjects to be considered are within the scope of authority and responsibility of several agencies and no single agency has paramount responsibility. If the activities of the committee meet this test and if it is not practicable for the chairing agency to provide for the full support of the committee, consideration should be given to the contribution of the time of agency staff and other participation in kind before transfers of funds are proposed.

Contributions by members which take the form of payments of funds should be used only in those cases where the need is so compelling or urgent that the committee must be established immediately and no practicable alternative can be found to meet its immediate financial needs. Financing of the activities of the committee through a single agency, if feasible, should be recommended to the Bureau of the Budget for consideration in connection with the next budget submission of the chairing agency.

(c) *Approval of exceptions.*—There may be circumstances in which the special needs of a committee require a dual or rotating chairmanship or in which contributions of funds by member agencies are required. In such cases, the prior approval of the Director of the Bureau of the Budget should be obtained. At that time, consideration will also be given to any special funding and administrative support arrangements required by committees with dual or rotating chairmanships. In the case of existing committees which have dual or rotating chairmen or are financed by transfers of funds from several agencies, the approval of the Director of the Bureau of the Budget should be obtained if such arrangements are to be continued when the committees are extended beyond 2 years under the provisions of section 2(g) of this circular.

(d) *Functions of committees.*—Committees are established primarily for the purpose of assuring necessary interagency consideration or coordination of executive branch programs or problems. Committees should be used for such functions as advising, investigating, making reports or recommendations, exchanging views, etc. Responsibility for performance of operating or executive functions, such as making determinations or administering programs, should not be assigned to committees. The committee's "terms of reference" should be defined as accurately as possible; that is, the scope and nature of the committee's assignment, the official to whom the committee will report, and what it is that the committee is expected to do, e.g., advise, investigate, report, recommend, etc.

(e) *Method of establishment.*—Committees should be established insofar as possible, by means which permit maximum flexibility in determining the membership, functions, and duration of the group. Therefore, agencies should not propose the establishment of committees by legislation unless there is a clear need to do so. Further, proposals to establish committees by Executive order should be limited generally to cases where specific delegations of statutory authority or formal assignments of responsibility are being made to a number of agencies and a coordinating committee is to be utilized. Committees dealing with general problems of interagency coordination or cooperation, which can be set up appropriately under existing authority, should be established by less formal documents such as memoranda of agreement, exchange of letters, etc. If they are to be standing committees, notice of their establishment or extension (under section 2(g) of this circular) shall be published in the Federal Register in order to facilitate inconsistent with law or regulations, or where such publication would not be in the national interest.

(f) *Committee membership.*—In order to facilitate the work of committees, the membership should be limited to those agencies having a substantial interest in all major facets of the subjects to be dealt with. Agencies having a limited interest in a committee's work should be invited to participate when matters concerning their area of interest are to be considered. Informal reports should be made to interested but nonparticipating agencies, as necessary.

(g) *Duration of committees.*—Standing committees should be established only when the subject matter clearly indicates that benefit will accrue from recurrent group consideration or coordination. Temporary committees or ad hoc handling and disposition should be used for transitory matters.

Standing committees should be terminated as soon as practicable and ordinarily not later than the end of the second fiscal year after that in which they were established. If the chairing agency determines in writing that the continuation of the committee beyond 2 years is necessary, its life may be extended for one or more additional 2-year periods or for a shorter time.

In the case of committees established by law, Executive order, or pursuant to Presidential direction, the head of the chairing agency shall advise the Director of the Bureau of the Budget if he believes that a committee should be extended beyond 2 years. The Director will make such recommendations to the President as may be appropriate regarding the amendment of laws, Executive orders, or Presidential directives dealing with such committees.

For the purpose of this circular, the date of formation of a committee shall be deemed to be June 30 of the fiscal year in which the committee was established. In the case of committees established prior to July 1, 1962, the date of formation shall be deemed to be June 30, 1962. (Extensions of committees also covered by Executive Order 11007 will be handled in conformity with the provisions of that order and will be reported on under this circular for the fiscal year in which the extension occurs.)

3. *Committee management liaison.*—The head of each agency responsible for the management of committees shall designate an officer to assist him in the discharge of his responsibilities under this circular. The name, title, office and telephone number of this officer should be transmitted to the Bureau of the Budget by May 31, 1964. Changes in the designation of such officers should be reported promptly.

4. *Committee management program.*—The head of each agency will issue such internal agency orders as are necessary to carry out the policies under this circular. As a minimum, such issuances should provide for maintenance of a file containing the information listed in the attachment on each committee and subcommittee chaired by the agency.

5. *Nomenclature.*—In order to achieve uniformity within the executive branch, designation of types of committee established hereafter should be in accordance with the following guidelines:

(a) The terms "commission," "council," or "board" may be confused with independent agencies of the executive branch and should be reserved for committees established by legislation.

(b) All interagency groups of a continuing nature (standing committees) established by other means should be called "committees" and their subordinate units should be called "subcommittees."

(c) All ad hoc groups should have titles giving a clear indication of their temporary status. Terms such as "conference," "task force," "team," "party," "group," "panel," etc., can be used to denote such groups.

Where feasible, committees already in existence should have their titles changed (at the time of their extension or otherwise) in order to bring them into conformity with the preceding guidelines.

6. *Reports.*—Each agency shall submit a report on the committees and subcommittees which it chairs to the Bureau of the Budget by April 30 of each year, covering the current fiscal year. The report shall include the following information:

(a) The names of committees established by legislation, Executive order, or at the direction of the President which are in existence at the time of the report and, when required under the provisions of section 2(g) of this circular, recommendations regarding the continuation of such committees.

(b) The names of committees which are supported by interagency contribution of funds or which have dual or rotating chairmanships and, when required under the provisions of section 2(c) of this circular, proposals regarding the continuation of such arrangements.

(c) Notice of the intended continuation of committees beyond 2 years under the provisions of section 2(g) of this circular. Such reports shall contain an explanation of the accomplishments of the committee and the reasons for its continuation.

(d) The number of all other committees and subcommittees classified as standing or ad hoc, and, for each category, the number created, the number terminated, and the number in existence at the beginning and end of the fiscal year.

(The first report under this circular should be submitted by May 31, 1964. In the case of committees whose date of formation is deemed to be June 30, 1962, under the provisions of section 2 above, the first report shall include the information required in connection with the continuation of such committees.)

Inquiries to the Bureau of the Budget about this circular should be addressed to the Office of Management and Organization (code 128, extension 21764).

KERMIT GORDON, *Director*.

[Attachment--Circular No. A-63]

DATA TO BE MAINTAINED IN AGENCY COMMITTEE MANAGEMENT FILES

1. Name of each committee or subcommittee chaired by the agency.
2. The means and date of its establishment and the name and title of the official who established the committee.
3. The departments and agencies which are members of the committee or subcommittee and those agencies which send observers. Also, the names and titles of the chairman and other members serving on the committee.
4. A list of all subcommittees (and their chairmen) for each parent committee.
5. The "terms of reference" of the committee or subcommittee (as described in section 2(d)).
6. The estimated duration of the committee or subcommittee.
7. A description of the financing arrangements; a statement of the funding source or sources; a listing of agency contributions, where authorized; and a statement of the authority through which the committee is given financial support.
8. An estimate of all other costs of the committee, including agency staff time (other than secretariat) devoted to committee work, except in cases where the staff time represents less than one-fourth of a man-year.
9. The secretariat and staff, including the size and organizational location or an estimate of the man-hours required for performing secretariat services, and an estimate of the costs involved in the performance of secretariat functions.

REORGANIZATION PLAN NO. 4 OF 1965 (INTERAGENCY COMMITTEES)

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
FIRST SESSION

JULY 14, 1965

Printed for the use of the
Committee on Government Operations



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REORGANIZATION PLAN NO. 4 OF 1965
(Interagency Committees)

WEDNESDAY, JULY 14, 1965

HOUSE OF REPRESENTATIVES,
EXECUTIVE AND LEGISLATIVE
REORGANIZATION SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2203, Rayburn Office Building, Hon. William L. Dawson (chairman of the subcommittee) presiding.

Present: Representatives William L. Dawson, Henry S. Reuss, John N. Erlenborn, and John W. Wydler.

Also present: Elmer W. Henderson, subcommittee counsel; James A. Lanigan, general counsel Committee on Government Operations; and J. P. Carlson, minority counsel.

(Message from the President transmitting Reorganization Plan No. 4 of 1965 follows:)

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING REORGANIZATION PLAN NO. 4 OF 1965, RELATIVE TO REORGANIZATIONS OF VARIOUS COMMITTEES AND OTHER SIMILAR BODIES

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1965, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for reorganizations of various committees and other similar bodies.

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

As government grows more complex and programs increasingly cut across traditional agency lines, we must exercise special care to prevent the continuance of obsolete interagency committees and other coordinating devices which waste time and delay action and the undue proliferation of new committees. Interagency committees are a valuable and often indispensable means of facilitating coordination, but we should be sure that a committee is the most efficient way to accomplish a given task and that it is structured to meet current needs effectively.

At my direction, guidelines for the management of interagency committees have been established. I have recently asked the heads of departments and agencies to give their personal attention to a complete review of all the interagency committees in which their agencies participate to determine which ones might be eliminated, consolidated or otherwise reorganized. We will take appropriate action to obtain essential improvements in the organization and use of those committees which have been established by the executive branch.

The reorganizations accomplished by the reorganization plan transmitted herewith will enable us to take similar action with respect to a number of committees which have been established by statute. In many instances the statutory provisions creating these committees are very specific as to membership and describe

in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The accompanying reorganization plan will abolish nine statutory committees. In each case the responsibility for providing suitable arrangements to assure effective consultation and coordination is placed in a specific official. Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board of Foreign Service and the National Advisory Council on International Monetary and Financial Problems. But we will have the flexibility promptly to make such changes in functions and membership as might be required to eliminate overlapping and duplication and to adjust to the development of new programs and shifts in executive branch responsibilities.

A number of the committees affected by the reorganization plan are advisory to the President or have functions which are closely related to responsibilities already vested in the President. The functions of those committees will be transferred to the President by the reorganization plan. The functions of the others will be transferred to the appropriate individual agency heads.

The management and control of interagency committees have been a matter of growing concern to both the executive branch and the Congress. The taking effect of the reorganization plan will contribute significantly to better management of interagency committees and will assist efforts to simplify and modernize coordinating arrangements within the executive branch.

Executive Order No. 10940 of May 11, 1961, provides for the President's Committee on Juvenile Delinquency and Youth Crime. The Secretary of Health, Education, and Welfare is required to consult with that committee on matters of general policy and procedure arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and to consider certain recommendations of that committee (42 U.S.C. 2546(b)). To require the Secretary by law to consult with a committee established by Executive order is clearly anomalous. The plan abolishes the relevant functions of the Secretary with respect to consulting and considering the recommendations of the President's Committee. The reorganization plan does not otherwise affect the Committee; it has no effect upon Executive Order No. 10940. The statutory authority for the exercise of the functions to be abolished by section 13(b) of the reorganization plan is contained in section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 (75 Stat. 574).

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 4 of 1965 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

Although the reorganizations provided for in the reorganization plan will not of themselves result in immediate savings, the improvement achieved in administration will in the future allow the performance of the affected functions at lower costs and in a more timely manner than at present. It is however, impracticable to specify or itemize at this time the reductions of expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan.

I recommend that the Congress allow the accompanying reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, May 27, 1965.

REORGANIZATION PLAN NO. 4 OF 1965

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949 (68 Stat. 203), as amended

ABOLITION OF CERTAIN COMMITTEES, COUNCILS, AND BOARDS

PART I

SECTION 1. *Transfer of functions.* All functions of each of the following-named bodies, together with all functions of the Chairman and of other officers of each thereof, are hereby transferred to the President of the United States:

(a) The National Housing Council, provided for in section 6 of Reorganization Plan No. 3 of 1947 (61 Stat. 955) as affected by (i) section 502(a) of the Housing Act of 1948 (62 Stat. 1283; 12 U.S.C. 1701c), (ii) section 603 of the Housing Act of 1949 (63 Stat. 440; 12 U.S.C. 1701i), and by (iii) section 615 of the Defense Housing and Community Facilities and Services Act of 1951 (65 Stat. 317; 12 U.S.C. 1701i-1).

(b) The National Advisory Council on International Monetary and Financial Problems, provided for in section 4 of the Bretton Woods Agreements Act (59 Stat. 512), as amended (22 U.S.C. 286b).

(c) The Board of the Foreign Service, provided for in section 211 of the Foreign Service Act of 1946 (60 Stat. 1001; 22 U.S.C. 826).

(d) The Board of Examiners for the Foreign Service, provided for in section 212 of the Foreign Service Act of 1946 (22 U.S.C. 827).

(e) The Civilian-Military Liaison Committee, provided for in section 204 of the National Aeronautics and Space Act of 1958 (72 Stat. 431), as amended (42 U.S.C. 2474).

Sec. 2. *Performance of transferred functions.* The President may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions transferred by the provisions of section 1 of this reorganization plan by any other officers of the executive branch of the Government or by any agencies or employees of that branch.

Sec. 3. *Abolition of bodies.* (a) Each of the bodies referred to in paragraphs (a) to (e), inclusive, of section 1 of this reorganization plan is hereby abolished.

(b) The President shall make or cause to be made such provisions as may be necessary with respect to the winding up of any outstanding affairs of the bodies abolished by the provisions of section 3 of this reorganization plan.

PART II

Section 11. *Transfer of functions.* (a) There are hereby transferred to the Chairman of the United States Civil Service Commission all functions of the Advisory Council on Group Insurance, provided for in section 12(a) of the Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 742; 5 U.S.C. 2101(a)).

(b) There are hereby transferred to the Administrator of the Small Business Administration all functions of the Loan Policy Board of the Small Business Administration, provided for in section 4(d) of the Small Business Act (72 Stat. 385; 15 U.S.C. 633(d)).

(c) There are hereby transferred to the Secretary of the Interior all functions of the advisory board provided for in section 2(a) of the Act of August 20, 1937 (50 Stat. 732), as amended (16 U.S.C. 832a(a)), commonly referred to as the Bonneville Power Advisory Board.

(d) There are hereby transferred to the Attorney General all functions of the Awards Board provided for in section 3 of the Atomic Weapons Rewards Act of 1955 (69 Stat. 365; 50 U.S.C. 47b).

(e) The transfers made by subsections (a) to (d), inclusive, of this section shall be deemed to include all functions of the Chairman and of other officers of the respective transferor bodies referred to in those subsections.

Sec. 12. *Performance of transferred functions.* Each officer to whom functions are transferred by the provisions of section 11 of this reorganization plan may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions so transferred to him by his subordinate officers, employees, or agencies.

Sec. 13. *Abolitions.* (a) Each of the bodies the functions of which are transferred by the provisions of section 11 of this reorganization plan is hereby abolished. Each officer to whom functions are transferred by those provisions shall make such

provisions as may be necessary with respect to the winding up of any outstanding affairs of the body or bodies the functions of which are so transferred to him.

(b) The functions vested in the Secretary of Health, Education, and Welfare by the provisions of section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 75 Stat. 574 (42 U.S.C. 2546(b)) are hereby abolished.

Chairman DAWSON. The subcommittee will come to order.

These hearings have been called to consider two reorganization plans transmitted to the Congress on May 27 by President Lyndon B. Johnson.

Reorganization Plan No. 4 of 1965 transfers the functions of a number of interagency committees to the President or, in some cases, to the heads of certain departments and agencies. The committees are then abolished. It is the opinion of the President that these committees have become obsolete and no longer serve the purpose intended for them.

Reorganization Plan No. 5 of 1965 involves only the National Science Foundation. A number of divisional committees within that agency are abolished and the Director of the Foundation is given the authority to delegate his functions to other officers or employees within the Foundation.

Mr. Harold Seidman, Assistant Director of the Bureau of the Budget, will testify on both plans. At the conclusion of his remarks on Plan No. 4, he will be available for interrogation by the subcommittee on that plan.

Mr. Seidman and Dr. Leland J. Haworth, Director of the National Science Foundation, will then testify on Plan No. 5 and, of course, both will be available for interrogation on that plan.

Our first witness will be Mr. Seidman.

Mr. SEIDMAN. I am always glad to be here, Mr. Chairman.

I am accompanied, again, by Mr. Fred Levi, Assistant Chief of the Office of Management and Organization.

Mr. Chairman, I have a prepared statement. With your permission, I will proceed.

**STATEMENT OF HAROLD SEIDMAN, ASSISTANT DIRECTOR FOR
MANAGEMENT AND ORGANIZATION, BUREAU OF THE BUDGET;
ACCOMPANIED BY FRED LEVI, ASSISTANT CHIEF**

Mr. SEIDMAN. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before your subcommittee in support of Reorganization Plans Nos. 4 and 5 of 1965. Reorganization Plan No. 4 will abolish nine statutory interagency committees and eliminate a statutory requirement now applicable to one committee established by Executive order. In each case all functions of the abolished committee are transferred, as may be appropriate, either to the President or a specifically designated official. Reorganization Plan No. 5 will abolish all functions of the divisional committees provided for by section 8 of the National Science Foundation Act and, in addition, will authorize certain delegations by the Director of the National Science Foundation. The two plans were transmitted by the President to the Congress on May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, as amended.

The President has emphasized that there is a continuing need to reorganize and modernize the structure of the executive branch to

provide the most effective administration of current and future programs. As he stated in transmitting Reorganization Plan No. 4:

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast, flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

The need for flexibility and adaptability is particularly critical in the area of interagency mechanisms for coordinating Federal programs and providing advice to the President and key officials.

The complexity of modern government often requires that responsibility for related or complementary activities be placed in different departments and agencies of the executive branch. These programs must be coordinated in an effort to obtain the best possible utilization of the Government's resources. One of the chief mechanisms for obtaining coordination is the interagency committee.

Committees presently deal with a wide variety of programs and subjects ranging from national security policy to the coordination of the use of costly automatic data processing equipment. However, they are effective only when they are properly utilized. Otherwise, as the President has said, they waste time, delay action and result in undesirable compromise. Committees must constantly be reviewed to assure that they meet current requirements and are directed toward useful and productive goals.

While it is possible for the President and the agency heads to adjust the organization and functions of committees which are established by Executive action, they do not have the authority to reorganize and modernize certain committees created in statute. As a result, as time goes on, those committees often cannot be adapted to meet changes in law, reassignments of responsibilities within the executive branch and the development of new programs. The President has noted that:

In many instances the statutory provisions creating these committees are very specific as to membership and describe in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The President has transmitted Reorganization Plan No. 4 to provide necessary flexibility in carrying out certain coordinating and advisory functions now vested in specific statutory committees. The plan would abolish the National Housing Council, the National Advisory Council on International Monetary and Financial Problems, the Board of the Foreign Service, the Board of Examiners of the Foreign Service and the Civilian-Military Liaison Committee established in the National Aeronautics and Space Act. Since these groups carry out functions which may be of direct Presidential concern, the plan provides for the transfer of their functions to the President and gives him the authority to provide for their performance. It should be noted that the President has said:

Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board

of Foreign Service and the National Advisory Council on International Monetary and Financial Problems.

The reorganization plan would also abolish the Advisory Council on Group Insurance, the Loan Policy Board of the Small Business Administration, the Bonneville Power Advisory Board and the Atomic Weapons Awards Board. Those groups perform functions primarily of concern to certain agency heads, and their functions would be transferred to those agency heads who would provide for their performance in an appropriate manner. Finally, the plan would abolish the statutory requirement that the Secretary of Health, Education, and Welfare consult with the President's Committee on Juvenile Delinquency and Youth Crime on matters of general policy and procedures arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and consider recommendations of that Committee. The President's Committee was established by Executive Order No. 10940, May 11, 1961.

As a result of the taking effect of the reorganization plan, the President and the heads of the agencies involved will have the necessary authority and flexibility to carry out, in a manner appropriate to meet current needs, the coordinating and advisory functions of groups being abolished. The plan will assure that timely and efficient mechanisms can be utilized. Accordingly, I recommend that Reorganization Plan No. 4 of 1965 be allowed to become effective.

I would also like to point out that the reorganization plan represents only a part of the administration's program to control and manage the approximately 550 interagency committees that now exist. The guidelines for that program are contained in the Bureau of the Budget Circular No. A-63, entitled "Management of Interagency Committees." The circular places the principal responsibility for committee management on agency heads, requires periodic reviews and reports, and a positive determination by the agency head before any committee can continue for longer than 2 years. Under the circular, the Bureau also retains the authority to approve the use of certain devices such as dual or rotating chairmanships and the financing of committees by agency contributions.

Chairman DAWSON. Mr. Reuss.

Mr. REUSS. Thank you, Mr. Chairman.

Mr. SEIDMAN, why does the plan affect these 9 out of the total of 550 interagency committees?

Mr. SEIDMAN. Mr. Reuss, most of the 550 were established by Executive action, so that the President can take the necessary measures to assure modifications to meet current requirements. In other words, they have either been established by Executive order of the President or by administrative action of a department head.

Mr. REUSS. Are these the only nine interagency committees established by statute?

Mr. SEIDMAN. No; they are not.

Mr. REUSS. How many are there?

Mr. SEIDMAN. I think there are approximately 16 such committees.

Mr. REUSS. What about the other seven?

Mr. SEIDMAN. Certain of the other committees which we had excluded from consideration at this time—I think some are questionable as to whether you can call them committees. Some function in a board of trustees, and have administrative functions vested

in them—such as the Board of Directors of the Virgin Islands Corporation, which technically is an interagency committee. It includes representatives from a number of agencies. But on the other hand, it acts as a Board of Directors of the Virgin Islands Corporation. We excluded that type of body from consideration.

Mr. REUSS. Would you file at this point in the record, Mr. Seidman, a listing of the seven statutory interagency committees or near committees not included in this reorganization order, together with some explanation of why they are not included? I am sure there is a good explanation in each case.

(The listing requested follows:)

LIST OF ADDITIONAL EXECUTIVE BRANCH INTERAGENCY COMMITTEES WHICH MIGHT HAVE BEEN INCLUDED IN REORGANIZATION PLAN NO. 4 OF 1965

There are approximately 52 committees established in statute which include agencies of the executive branch. The largest number of these committees are public advisory groups with one or two agencies included among the members. Several are composed of members from both the legislative and executive branches. These two types of committees fall outside the scope of this reorganization plan. Also excluded from this review are interagency groups which have the status of agencies (e.g. the National Security Council), have quasi-judicial or operating functions (e.g. Foreign Trade Zones Board) or act as Boards of Directors for Federal educational, scientific, or cultural activities (e.g. Board of Trustees of the John F. Kennedy Center for the Performing Arts). The following is a list of the remaining seven executive branch interagency committees which might have been included in the reorganization plan along with the reasons they were excluded.

Name	Reason the committee was not included in the plan
1. Board of Geographic Names-----	Additional members may be added from time to time.
2. Adjustment Assistance Advisory Board.	President has authority to designate additional members.
3. Area Redevelopment Advisory Policy Board.	The Public Works and Redevelopment Act of 1965 permits the President to name all members.
4. Economic Opportunity Council----	Permits the President to add members from time to time.
5. Committee for Statistical Annotation of Tariff Schedules.	No specification of membership or device to be used.
6. Trade Expansion Act Advisory Committee.	President has full authority to name the members.
7. Development Loan Committee----	President has authority to establish membership.

Mr. REUSS. A particularly august interagency committee which you are abolishing under this Reorganization Plan No. 4—though the President notes that he will reconstitute it—is the National Advisory Council on International Monetary and Financial Problems, which was set up under the Bretton Woods legislation in 1944, I believe.

I have had some problems with it in the past because it developed symptoms of bureaucratic sluggishness. I know that on one occasion Congress was sent a document bearing the imprimatur of the National Advisory Council, but when I inquired why it had not been signed by the five members I found out they had not met or really done anything about it—that somebody in the backroom had prepared their recommendation.

How will this reorganization plan change the National Advisory Council?

Mr. SEIDMAN. I can point to some of the problems, Mr. Reuss, which have resulted from the statutory status of the National Advisory Council on International Monetary and Financial Problems.

We are now considering within the executive branch—the Treasury Department has submitted a draft of a proposed Executive order which would reestablish a new—

Mr. REUSS. Would the same members—

Mr. SEIDMAN. They are proposing the same members. One of the problems here is that at the time of the creation of this council, the only significant foreign lending program that we had in the Federal Government was basically the Export-Import Bank. A major concern at the time it was established was really to determine the U.S. Government policy in the International Bank and Fund, and to provide a vehicle for instructing our delegates to the Bank and Fund, and to coordinate their activities with the Export-Import Bank.

Of course, since that time we have developed major international financial programs which are carried out through the Agency for International Development and through the Public Law 480 program of the Department of Agriculture.

Now, the membership of the NAC remains the same. It includes the State Department, Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President of the Export-Import Bank.

It is a good question, as to whether the membership ought to be revised in the light of current programs we are carrying out within the Federal Government—particularly should the Secretary of Agriculture be a member—this is certainly one of the questions which ought to be considered.

Mr. REUSS. Under this reorganization plan, it could be abolished and not reconstituted at all, could it not?

Mr. SEIDMAN. That is right. The President may well determine under certain circumstances that other arrangements would be more effective in doing the job that needs to be done.

Mr. REUSS. And as you have indicated, it can equally be reconstituted, but with certain present members left off, and others added.

Mr. SEIDMAN. That is correct. I do not know what the decision will be. For example, I know from time to time the Secretary of Labor has indicated that it might well be appropriate to have the Department of Labor represented on the NAC.

As programs change, we have not wanted to go up for an amendment, merely to change the membership on one of these committees. It is time consuming.

Mr. REUSS. I have had frequent opportunities to deal with the National Advisory Council, and I may say that I am not going to weep at its funeral here. I see no particular reason why it should be retained as a statutory council. Furthermore, I am not at all sure, if I may give some gratuitous advice, that it should be formally reconstituted once and for all. It is set up to give advice on the International Monetary Fund and the World Bank—an agency which now includes several subsidiaries which did not exist back then. And I should think that quite different people might be required to give advice on, let us say, the IDA aspect of the World Bank, than would be required to give advice, let us say, on international monetary matters. Certainly the Secretary of the Treasury ought to give advice on international monetary matters. But I should think that, equally, the Director of the AID should be consulted on what becomes of AID.

Mr. SEIDMAN. Well, that is certainly a type of issue that will be given very careful consideration.

Mr. WYDLER. Would the gentleman yield to me at this point?

How many times in the last year did the National Advisory Council meet?

Mr. SEIDMAN. The staff—

Mr. WYDLER. I am talking about the full Council.

Mr. SEIDMAN. The full Council has not met very frequently, and during the period when Mr. Humphrey was Secretary of the Treasury under the Eisenhower administration, it did not meet at all.

Mr. REUSS. The gentleman from New York has put his finger on one of the difficulties. Here you have the Secretary of State and the Secretary of the Treasury, the Secretary of Commerce, plus other important officials on this Council. Yet, under the statute, they are required to give advice on the most picayune little matters concerning the International Monetary Fund. On at least one occasion I was distressed to find that this great organism spoke, yet the Secretaries of State, Treasury, and so on had not really been there, had not met. And while they later hastily got together and signed the document, it was not a very good way of giving advice.

Mr. WYDLER. They ratified it.

Mr. SEIDMAN. I might point out that these committees often do work informally where they involve Cabinet-level people.

In the case of the NAC there is a very active staff for the committee, and problems are considered at the staff level in weekly meetings. This includes not only the staff of the NAC, but of the various agencies.

Very often the principals will talk to each other on the telephone about some of the issues which are before the Council, rather than have a formal meeting. But the bulk of the work certainly is done at the staff level.

Mr. REUSS. Well, I conclude by saying that in general I think this is a useful reorganization plan. But I would hope that the President might review his determination as expressed in your statement that "Prompt action will be taken to create successor committees to such bodies as the National Advisory Council on International Monetary and Financial Problems." I am not really sure that formal committee constitution is what is needed to get this kind of advice, and I would hate to see that done under an Executive order which merely repeats the stratification that Congress achieved when it put this into the law.

Mr. SEIDMAN. We are now soliciting the views of the other agencies in the executive branch on the draft proposed by Treasury, and I am sure we will have suggestions coming from the Department of State and the Agency for International Development and the Department of Agriculture and others as to the course of action which ought to be taken.

I do feel strongly we do need in this particular area a more formal type of coordinating mechanism. This is without saying exactly what its function should be or its membership. But I think there is a need.

Mr. REUSS. Thank you, Mr. Chairman.

Chairman DAWSON. Mr. Erlenborn.

Mr. ERLBORN. I have no questions.

Chairman DAWSON. Mr. Wydler?

Mr. WYDLER. Thank you, Mr. Chairman.

I would like you to explain the final part of this plan, which is the reason why we are not going to have the Secretary of Health, Education, and Welfare consult with the President's Committee any longer. Why is that?

Mr. SEIDMAN. This is a very curious provision in the law. The President's Committee was set up by Executive order. It was not set up in law. And then by statute the Secretary of Health, Education, and Welfare was required to consult with a committee which was created by the President by Executive order. This is a rather anomalous provision. If the President chose to abolish this committee, which he has full authority to do, then there would be a question as to how the Secretary of Health, Education, and Welfare could carry out this function assigned to him by law.

Mr. WYDLER. Is this actually creating a real problem, or is this just something to obviate a problem that might arise, or what?

Mr. SEIDMAN. It obviates a problem that might arise, because it would create difficulties at such time as the President might determine that the President's Committee had outlived its usefulness, and he would want to abolish it. But he would in effect be debarred from abolishing the committee, unless he wanted to raise questions with respect to how the Secretary of Health, Education, and Welfare administered this act.

This relates to the general program which the President has instructed us to carry out within the executive branch. In effect the President has said that he wants each interagency committee reviewed each 2 years, and if there isn't an affirmative determination by the responsible official that it needs to be continued, its life ends at the end of 2 years.

The President believes—and I think we have made available to the committee staff a copy of the President's statement on the committee problem—that while the Interagency Committee is a highly useful and often an indispensable device, when they outlive their usefulness, they often become serious obstacles to the most efficient performance of functions within the executive branch of the Government.

The Jackson subcommittee, in their study of national policy machinery, in the Senate, went into this at great length—that the interagency committees very often slow down the process of Government considerably without contributing anything positive.

Mr. WYDLER. Was somebody complaining about this requirement, perhaps the Secretary of Health, Education, and Welfare?

Mr. SEIDMAN. No; there was no complaint. This was part of the general review we undertook of interagency committees at the request of the President. And this was one clearly anomalous provision, where the Congress had by law required an agency head to consult a committee established by the President by Executive order.

Mr. WYDLER. All right.

Now, I am most interested in this elimination of the Civilian Military Liaison Committee in NASA.

Who are the members of that committee?

Mr. SEIDMAN. The Committee has had one meeting in July 1959, and has never met since.

Mr. WYDLER. Well, after seeing some of the problems in that agency, I think they might have met for some good purposes in the

I am just curious—who are the members?

Mr. SEIDMAN. Well, the law provides that the Committee shall consist of a Chairman who should be appointed by the President and serve at the pleasure of the President, one or more representatives from the Department of Defense, and one or more representatives from each of the Departments of Army, Navy, and Air Force, to be assigned by the Secretary of Defense to serve on the Committee. And then representatives from NASA to be assigned by the Administrator, to serve on the Committee, equal in number to the number of representatives assigned to serve on the Committee from Defense. So you have an equal number from Defense and NASA.

We do have another coordinating mechanism here. And this is one of the reasons that this Committee has never met.

The functions which were contemplated would be performed by the Civilian-Military Liaison Committee are now performed by the Aeronautics and Astronautics Coordinating Board, which is co-chaired by the NASA Administrator and the Secretary of Defense.

Mr. WYDLER. In other words, they have raised the level of this Board up in effect.

Mr. SEIDMAN. That is right.

Mr. WYDLER. Because, I will tell you quite frankly, my experience on the Science and Astronautics Committee has been that this area of civil-military liaison is a very important one, and one where we could use improvement. And therefore I would think this would be a little inconsistent to eliminate that Committee if it was really performing any function at all, or if it could perform some useful function.

Mr. SEIDMAN. Well, I think this illustrates the problem—I do not think a statutory committee can achieve the kind of coordination which is desired unless it is suited to the needs which are presented in a particular area. And in this case it was found that other arrangements would be more satisfactory and the Secretary of Defense and the Administrator of NASA established the Aeronautics and Astronautics Coordinating Board.

These committees which are provided for in statute—some of them have never met.

We have one which is included in the plan, the Atomic Weapons Awards Board—which has never met.

Mr. WYDLER. Would that be true of the National Housing Council?

Mr. SEIDMAN. The National Housing Council has not met since 1960.

Mr. WYDLER. Those are all the questions I have, Mr. Chairman.

Mr. HENDERSON. If these committees are set up by statute, isn't there some requirement that they meet; and is this requirement of law being violated?

Mr. SEIDMAN. Mr. Henderson, most of them do not have any requirement in the law as to numbers of meetings. They merely provide for a council and designate the membership and assign to it some broad, general functions. There is usually not a requirement that they have so many meetings per year or so. I do not think any provision of law is being ignored here.

Mr. HENDERSON. What happens to the staffs of these committees that are abolished?

Mr. SEIDMAN. Most of these committees, as I said, have either met very infrequently, or some not at all, and do not have any staff. The staff services are provided from the regular staff of the agency.

The National Advisory Council does have a staff. However, they are on the rolls of the Treasury Department—they are not on the payroll of the Committee or Council itself. So their status will not be changed—particularly in the case of the NAC.

Mr. HENDERSON. Thank you.

Chairman DAWSON. Any further questions of Plan No. 4?

(Whereupon, at 10:30 a.m., the subcommittee proceeded to further business on Reorganization Plan No. 5 of 1965.)

APPENDIX

THE WHITE HOUSE,
Washington, D.C., February 25, 1965.

Memorandum for the heads of Departments and Agencies:

I have just completed a review of 119 interdepartmental committees of the Government that have been established by law or by Presidential directive.

Interdepartmental committees can often greatly facilitate coordination. But extreme care must be exercised to make sure that a committee is the most efficient way to accomplish a given task and to assure that committees are used effectively.

Improper use of committees can waste time, delay action, and result in undesirable compromise. Each participant in committee deliberations should assess the work of the group continuously to assure that it is directed toward valid and useful purposes. Committees that are not clearly accomplishing such purposes should be reformed or abolished.

I have asked the Budget Director to review the need for a number of committees. Where appropriate, he will recommend steps to abolish or merge a number of them, or to have their functions performed in other ways. I want you to lend your full cooperation to this undertaking.

Pursuant to Bureau of the Budget Circular A-63, you will soon be preparing a report on interdepartmental committees for fiscal year 1965. I have asked for a report on the results of this year's review. You should apply the highest standard of usefulness and effectiveness in your review of committees chaired by your agency, however established. I have been advised that 163 committees were terminated in fiscal year 1964, while 203 were established. We can and must do better than this.

On November 19, I said to the Cabinet that to provide for the new programs of the Great Society we must take steps to reform or eliminate existing programs where such action is indicated. This principle should guide you in your review of interdepartmental committees.

LYNDON B. JOHNSON.

Circular No. A-63

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 2, 1964.

To: The heads of Executive Departments and Establishments.

Subject: Management of interagency committees.

1. *Purpose and scope.*—This circular sets forth general guidelines and instructions for the establishment, use, and termination of interagency committees. To the extent consistent with law, it applies to all departments and agencies of the executive branch.

For purposes of this circular, the term "interagency committee" means any formally constituted committee, board, commission, council, conference, panel, task force, or other similar group, or any subcommittee or other subgroup thereof, that is composed of officers or employees of more than one department or agency of the Government and that is organized to meet from time to time for purposes of formulating advice or recommendations, or for any other stated purpose.

Executive Order No. 11007 of February 26, 1962, prescribes certain regulations regarding the use of public advisory committees. There are a few such committees which have members from two or more Federal agencies in addition to the public members. Such committees are also included within the scope of this circular which establishes additional (and complementary) guidelines regarding interagency committees.

2. *General policies.*—

(a) *Responsibility for committees.*—The responsibility for the management of interagency committees (hereafter referred to as committees) rests with the chairmen of such committees or, in cases where a subordinate official chairs a committee, with the head of his department or agency. The chairman should be held responsible for the conduct of all committee activities. Dual or rotating chairmanships may have the effect of confusing or dividing responsibility for the committee's work and should generally be avoided.

The chairman should direct the administrative arrangements for the committee including the calling of meetings and preparation of agenda and reports. Secretariat services should generally be provided in full by the chairing agency.

(b) *Agency contributions.*—Contributions by member agencies (other than the chairing agency) to the support of committees should be limited to cases where the subjects to be considered are within the scope of authority and responsibility of several agencies and no single agency has paramount responsibility. If the activities of the committee meet this test and if it is not practicable for the chairing agency to provide for the full support of the committee, consideration should be given to the contribution of the time of agency staff and other participation in kind before transfers of funds are proposed.

Contributions by members which take the form of payments of funds should be used only in those cases where the need is so compelling or urgent that the committee must be established immediately and no practicable alternative can be found to meet its immediate financial needs. Financing of the activities of the committee through a single agency, if feasible, should be recommended to the Bureau of the Budget for consideration in connection with the next budget submission of the chairing agency.

(c) *Approval of exceptions.*—There may be circumstances in which the special needs of a committee require a dual or rotating chairmanship or in which contributions of funds by member agencies are required. In such cases, the prior approval of the Director of the Bureau of the Budget should be obtained. At that time, consideration will also be given to any special funding and administrative support arrangements required by committees with dual or rotating chairmanships. In the case of existing committees which have dual or rotating chairmen or are financed by transfers of funds from several agencies, the approval of the Director of the Bureau of the Budget should be obtained if such arrangements are to be continued when the committees are extended beyond 2 years under the provisions of section 2(g) of this circular.

(d) *Functions of committees.*—Committees are established primarily for the purpose of assuring necessary interagency consideration or coordination of executive branch programs or problems. Committees should be used for such functions as advising, investigating, making reports or recommendations, exchanging views, etc. Responsibility for performance of operating or executive functions, such as making determinations or administering programs, should not be assigned to committees. The committee's "terms of reference" should be defined as accurately as possible; that is, the scope and nature of the committee's assignment, the official to whom the committee will report, and what it is that the committee is expected to do, e.g., advise, investigate, report, recommend, etc.

(e) *Method of establishment.*—Committees should be established insofar, as possible, by means which permit maximum flexibility in determining the membership, functions, and duration of the group. Therefore, agencies should not propose the establishment of committees by legislation unless there is a clear need to do so. Further, proposals to establish committees by Executive order should be limited generally to cases where specific delegations of statutory authority or formal assignments of responsibility are being made to a number of agencies and a coordinating committee is to be utilized. Committees dealing with general problems of interagency coordination or cooperation, which can be set up appropriately under existing authority, should be established by less formal documents such as memoranda of agreement, exchange of letters, etc. If they are to be standing committees, notice of their establishment or extension (under section 2(g) of this circular) shall be published in the Federal Register in order to facilitate convenient and permanent reference by Federal agencies, unless this would be inconsistent with law or regulation, or would not be in the national interest.

(f) *Committee membership.*—In order to facilitate the work of committees, the membership should be limited to those agencies having a substantial interest in all major facets of the subjects to be dealt with. Agencies having a limited interest in a committee's work should be invited to participate when matters concerning their area of interest are to be considered. Informal reports should be made to interested but nonparticipating agencies, as necessary.

(g) *Duration of committees.*—Standing committees should be established only when the subject matter clearly indicates that benefit will accrue from recurrent group consideration or coordination. Temporary committees or ad hoc handling and disposition should be used for transitory matters.

Standing committees should be terminated as soon as practicable and ordinarily not later than the end of the second fiscal year after that in which they were established. If the chairing agency determines in writing that the continuation of the committee beyond 2 years is necessary, its life may be extended for one or more additional 2-year periods or for a shorter time.

In the case of committees established by law, Executive order, or pursuant to Presidential direction, the head of the chairing agency shall advise the Director of the Bureau of the Budget if he believes that a committee should be extended beyond 2 years. The Director will make such recommendations to the President as may be appropriate regarding the amendment of laws, Executive orders, or Presidential directives dealing with such committees.

For the purpose of this circular, the date of formation of a committee shall be deemed to be June 30 of the fiscal year in which the committee was established. In the case of committees established prior to July 1, 1962, the date of formation shall be deemed to be June 30, 1962. (Extensions of committees also covered by Executive Order 11007 will be handled in conformity with the provisions of that order and will be reported on under this circular for the fiscal year in which the extension occurs.)

3. *Committee management liaison.*—The head of each agency responsible for the management of committees shall designate an officer to assist him in the discharge of his responsibilities under this circular. The name, title, office and telephone number of this officer should be transmitted to the Bureau of the Budget by May 31, 1964. Changes in the designation of such officers should be reported promptly.

4. *Committee management program.*—The head of each agency will issue such internal agency orders as are necessary to carry out the policies under this circular. As a minimum, such issuances should provide for maintenance of a file containing the information listed in the attachment on each committee and subcommittee chaired by the agency.

5. *Nomenclature.*—In order to achieve uniformity within the executive branch, designation of types of committee established hereafter should be in accordance with the following guidelines:

(a) The terms "commission," "council," or "board" may be confused with independent agencies of the executive branch and should be reserved for committees established by legislation.

(b) All interagency groups of a continuing nature (standing committees) established by other means should be called "committees" and their subordinate units should be called "subcommittees."

(c) All ad hoc groups should have titles giving a clear indication of their temporary status. Terms such as "conference," "task force," "team," "party," "group," "panel," etc., can be used to denote such groups.

Where feasible, committees already in existence should have their titles changed (at the time of their extension or otherwise) in order to bring them into conformity with the preceding guidelines.

6. *Reports.*—Each agency shall submit a report on the committees and subcommittees which it chairs to the Bureau of the Budget by April 30 of each year, covering the current fiscal year. The report shall include the following information:

(a) The names of committees established by legislation, Executive order, or at the direction of the President which are in existence at the time of the report and, when required under the provisions of section 2(g) of this circular, recommendations regarding the continuation of such committees.

(b) The names of committees which are supported by interagency contribution of funds or which have dual or rotating chairmanships and, when required under the provisions of section 2(c) of this circular, proposals re-

(c) Notice of the intended continuation of committees beyond 2 years under the provisions of section 2(g) of this circular. Such reports shall contain an explanation of the accomplishments of the committee and the reasons for its continuation.

(d) The number of all other committees and subcommittees classified as standing or ad hoc, and, for each category, the number created, the number terminated, and the number in existence at the beginning and end of the fiscal year.

(The first report under this circular should be submitted by May 31, 1964. In the case of committees whose date of formation is deemed to be June 30, 1962, under the provisions of section 2 above, the first report shall include the information required in connection with the continuation of such committees.)

Inquiries to the Bureau of the Budget about this circular should be addressed to the Office of Management and Organization (code 128, extension 21764).

KERMIT GORDON, *Director*.

[Attachment--Circular No. A-63]

DATA TO BE MAINTAINED IN AGENCY COMMITTEE MANAGEMENT FILES

1. Name of each committee or subcommittee chaired by the agency.
2. The means and date of its establishment and the name and title of the official who established the committee.
3. The departments and agencies which are members of the committee or subcommittee and those agencies which send observers. Also, the names and titles of the chairman and other members serving on the committee.
4. A list of all subcommittees (and their chairmen) for each parent committee.
5. The "terms of reference" of the committee or subcommittee (as described in section 2(d)).
6. The estimated duration of the committee or subcommittee.
7. A description of the financing arrangements; a statement of the funding source or sources; a listing of agency contributions, where authorized; and a statement of the authority through which the committee is given financial support.
8. An estimate of all other costs of the committee, including agency staff time (other than secretariat) devoted to committee work, except in cases where the staff time represents less than one-fourth of a man-year.
9. The secretariat and staff, including the size and organizational location or an estimate of the man-hours required for performing secretariat services, and an estimate of the costs involved in the performance of secretariat functions.

REORGANIZATION PLAN NO. 4 OF 1965 (INTERAGENCY COMMITTEES)

HEARING
BEFORE A
SUBCOMMITTEE OF THE
COMMITTEE ON
GOVERNMENT OPERATIONS
HOUSE OF REPRESENTATIVES
EIGHTY-NINTH CONGRESS
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III

REORGANIZATION PLAN NO. 4 OF 1965
(Interagency Committees)

WEDNESDAY, JULY 14, 1965

HOUSE OF REPRESENTATIVES,
EXECUTIVE AND LEGISLATIVE
REORGANIZATION SUBCOMMITTEE
OF THE COMMITTEE ON GOVERNMENT OPERATIONS,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10 a.m., in room 2203, Rayburn Office Building, Hon. William L. Dawson (chairman of the subcommittee) presiding.

Present: Representatives William L. Dawson, Henry S. Reuss, John N. Erlenborn, and John W. Wydler.

Also present: Elmer W. Henderson, subcommittee counsel; James A. Lanigan, general counsel Committee on Government Operations; and J. P. Carlson, minority counsel.

(Message from the President transmitting Reorganization Plan No. 4 of 1965 follows:)

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, TRANSMITTING REORGANIZATION PLAN NO. 4 OF 1965, RELATIVE TO REORGANIZATIONS OF VARIOUS COMMITTEES AND OTHER SIMILAR BODIES

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 4 of 1965, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for reorganizations of various committees and other similar bodies.

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

As government grows more complex and programs increasingly cut across traditional agency lines, we must exercise special care to prevent the continuance of obsolete interagency committees and other coordinating devices which waste time and delay action and the undue proliferation of new committees. Interagency committees are a valuable and often indispensable means of facilitating coordination, but we should be sure that a committee is the most efficient way to accomplish a given task and that it is structured to meet current needs effectively.

At my direction, guidelines for the management of interagency committees have been established. I have recently asked the heads of departments and agencies to give their personal attention to a complete review of all the interagency committees in which their agencies participate to determine which ones might be eliminated, consolidated or otherwise reorganized. We will take appropriate action to obtain essential improvements in the organization and use of those committees which have been established by the executive branch.

The reorganizations accomplished by the reorganization plan transmitted herewith will enable us to take similar action with respect to a number of committees which have been established by statute. In many instances the statutory provisions creating these committees are very specific as to membership and describe

in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The accompanying reorganization plan will abolish nine statutory committees. In each case the responsibility for providing suitable arrangements to assure effective consultation and coordination is placed in a specific official. Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board of Foreign Service and the National Advisory Council on International Monetary and Financial Problems. But we will have the flexibility promptly to make such changes in functions and membership as might be required to eliminate overlapping and duplication and to adjust to the development of new programs and shifts in executive branch responsibilities.

A number of the committees affected by the reorganization plan are advisory to the President or have functions which are closely related to responsibilities already vested in the President. The functions of those committees will be transferred to the President by the reorganization plan. The functions of the others will be transferred to the appropriate individual agency heads.

The management and control of interagency committees have been a matter of growing concern to both the executive branch and the Congress. The taking effect of the reorganization plan will contribute significantly to better management of interagency committees and will assist efforts to simplify and modernize coordinating arrangements within the executive branch.

Executive Order No. 10940 of May 11, 1961, provides for the President's Committee on Juvenile Delinquency and Youth Crime. The Secretary of Health, Education, and Welfare is required to consult with that committee on matters of general policy and procedure arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and to consider certain recommendations of that committee (42 U.S.C. 2546(b)). To require the Secretary by law to consult with a committee established by Executive order is clearly anomalous. The plan abolishes the relevant functions of the Secretary with respect to consulting and considering the recommendations of the President's Committee. The reorganization plan does not otherwise affect the Committee; it has no effect upon Executive Order No. 10940. The statutory authority for the exercise of the functions to be abolished by section 13(b) of the reorganization plan is contained in section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 (75 Stat. 574).

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 4 of 1965 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

Although the reorganizations provided for in the reorganization plan will not of themselves result in immediate savings, the improvement achieved in administration will in the future allow the performance of the affected functions at lower costs and in a more timely manner than at present. It is however, impracticable to specify or itemize at this time the reductions of expenditures which it is probable will be brought about by the taking effect of the reorganizations included in the reorganization plan.

I recommend that the Congress allow the accompanying reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, May 27, 1965.

REORGANIZATION PLAN NO. 4 OF 1965

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949 (63 Stat. 203), as amended

ABOLITION OF CERTAIN COMMITTEES, COUNCILS, AND BOARDS

PART I

SECTION 1. *Transfer of functions.* All functions of each of the following-named bodies, together with all functions of the Chairman and of other officers of each thereof, are hereby transferred to the President of the United States:

(a) The National Housing Council, provided for in section 6 of Reorganization Plan No. 3 of 1947 (61 Stat. 955) as affected by (i) section 502(a) of the Housing Act of 1948 (62 Stat. 1283; 12 U.S.C. 1701e), (ii) section 603 of the Housing Act of 1949 (63 Stat. 440; 12 U.S.C. 1701f), and by (iii) section 615 of the Defense Housing and Community Facilities and Services Act of 1951 (65 Stat. 317; 12 U.S.C. 1701i-1).

(b) The National Advisory Council on International Monetary and Financial Problems, provided for in section 4 of the Bretton Woods Agreements Act (59 Stat. 512), as amended (22 U.S.C. 286b).

(c) The Board of the Foreign Service, provided for in section 211 of the Foreign Service Act of 1946 (60 Stat. 1001; 22 U.S.C. 826).

(d) The Board of Examiners for the Foreign Service, provided for in section 212 of the Foreign Service Act of 1946 (22 U.S.C. 827).

(e) The Civilian-Military Liaison Committee, provided for in section 204 of the National Aeronautics and Space Act of 1958 (72 Stat. 431), as amended (42 U.S.C. 2474).

Sec. 2. *Performance of transferred functions.* The President may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions transferred by the provisions of section 1 of this reorganization plan by any other officers of the executive branch of the Government or by any agencies or employees of that branch.

Sec. 3. *Abolition of bodies.* (a) Each of the bodies referred to in paragraphs (a) to (e), inclusive, of section 1 of this reorganization plan is hereby abolished.

(b) The President shall make or cause to be made such provisions as may be necessary with respect to the winding up of any outstanding affairs of the bodies abolished by the provisions of section 3 of this reorganization plan.

PART II

Section 11. *Transfer of functions.* (a) There are hereby transferred to the Chairman of the United States Civil Service Commission all functions of the Advisory Council on Group Insurance, provided for in section 12(a) of the Federal Employees' Group Life Insurance Act of 1954 (68 Stat. 742; 5 U.S.C. 2101(a)).

(b) There are hereby transferred to the Administrator of the Small Business Administration all functions of the Loan Policy Board of the Small Business Administration, provided for in section 4(d) of the Small Business Act (72 Stat. 385; 15 U.S.C. 633(d)).

(c) There are hereby transferred to the Secretary of the Interior all functions of the advisory board provided for in section 2(a) of the Act of August 20, 1937 (50 Stat. 732), as amended (16 U.S.C. 832a(a)), commonly referred to as the Bonneville Power Advisory Board.

(d) There are hereby transferred to the Attorney General all functions of the Awards Board provided for in section 3 of the Atomic Weapons Rewards Act of 1955 (69 Stat. 365; 50 U.S.C. 47b).

(e) The transfers made by subsections (a) to (d), inclusive, of this section shall be deemed to include all functions of the Chairman and of other officers of the respective transferor bodies referred to in those subsections.

Sec. 12. *Performance of transferred functions.* Each officer to whom functions are transferred by the provisions of section 11 of this reorganization plan may from time to time make such provisions as he may deem appropriate authorizing the performance of the functions so transferred to him by his subordinate officers, employees, or agencies.

Sec. 13. *Abolitions.* (a) Each of the bodies the functions of which are transferred by the provisions of section 11 of this reorganization plan is hereby abolished. Each officer to whom functions are transferred by those provisions shall make such

provisions as may be necessary with respect to the winding up of any outstanding affairs of the body or bodies the functions of which are so transferred to him.

(b) The functions vested in the Secretary of Health, Education, and Welfare by the provisions of section 7(b) of the Juvenile Delinquency and Youth Offenses Control Act of 1961 75 Stat. 574 (42 U.S.C. 2546(b)) are hereby abolished.

Chairman DAWSON. The subcommittee will come to order.

These hearings have been called to consider two reorganization plans transmitted to the Congress on May 27 by President Lyndon B. Johnson.

Reorganization Plan No. 4 of 1965 transfers the functions of a number of interagency committees to the President or, in some cases, to the heads of certain departments and agencies. The committees are then abolished. It is the opinion of the President that these committees have become obsolete and no longer serve the purpose intended for them.

Reorganization Plan No. 5 of 1965 involves only the National Science Foundation. A number of divisional committees within that agency are abolished and the Director of the Foundation is given the authority to delegate his functions to other officers or employees within the Foundation.

Mr. Harold Seidman, Assistant Director of the Bureau of the Budget, will testify on both plans. At the conclusion of his remarks on Plan No. 4, he will be available for interrogation by the subcommittee on that plan.

Mr. Seidman and Dr. Leland J. Haworth, Director of the National Science Foundation, will then testify on Plan No. 5 and, of course, both will be available for interrogation on that plan.

Our first witness will be Mr. Seidman.

Mr. SEIDMAN. I am always glad to be here, Mr. Chairman.

I am accompanied, again, by Mr. Fred Levi, Assistant Chief of the Office of Management and Organization.

Mr. Chairman, I have a prepared statement. With your permission, I will proceed.

**STATEMENT OF HAROLD SEIDMAN, ASSISTANT DIRECTOR FOR
MANAGEMENT AND ORGANIZATION, BUREAU OF THE BUDGET;
ACCOMPANIED BY FRED LEVI, ASSISTANT CHIEF**

Mr. SEIDMAN. Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear before your subcommittee in support of Reorganization Plans Nos. 4 and 5 of 1965. Reorganization Plan No. 4 will abolish nine statutory interagency committees and eliminate a statutory requirement now applicable to one committee established by Executive order. In each case all functions of the abolished committee are transferred, as may be appropriate, either to the President or a specifically designated official. Reorganization Plan No. 5 will abolish all functions of the divisional committees provided for by section 8 of the National Science Foundation Act and, in addition, will authorize certain delegations by the Director of the National Science Foundation. The two plans were transmitted by the President to the Congress on May 27, 1965, pursuant to the provisions of the Reorganization Act of 1949, as amended.

The President has emphasized that there is a continuing need to reorganize and modernize the structure of the executive branch to

provide the most effective administration of current and future programs. As he stated in transmitting Reorganization Plan No. 4:

The strength and vitality of our democracy depends in major part upon the Federal Government's adaptability, on its capacity for fast, flexible response to changing needs imposed by changing circumstances. If we are to maintain this capacity, we must have a government that is streamlined and capable of quickly adjusting and readjusting its organization and operating procedures to take up and surmount new challenges.

The need for flexibility and adaptability is particularly critical in the area of interagency mechanisms for coordinating Federal programs and providing advice to the President and key officials.

The complexity of modern government often requires that responsibility for related or complementary activities be placed in different departments and agencies of the executive branch. These programs must be coordinated in an effort to obtain the best possible utilization of the Government's resources. One of the chief mechanisms for obtaining coordination is the interagency committee.

Committees presently deal with a wide variety of programs and subjects ranging from national security policy to the coordination of the use of costly automatic data processing equipment. However, they are effective only when they are properly utilized. Otherwise, as the President has said, they waste time, delay action and result in undesirable compromise. Committees must constantly be reviewed to assure that they meet current requirements and are directed toward useful and productive goals.

While it is possible for the President and the agency heads to adjust the organization and functions of committees which are established by Executive action, they do not have the authority to reorganize and modernize certain committees created in statute. As a result, as time goes on, those committees often cannot be adapted to meet changes in law, reassignments of responsibilities within the executive branch and the development of new programs. The President has noted that:

In many instances the statutory provisions creating these committees are very specific as to membership and describe in detail the functions to be performed. These provisions are rarely sufficiently flexible to permit the membership or role of the committees to be accommodated to changing circumstances or to permit their termination when they have outlived their usefulness.

The President has transmitted Reorganization Plan No. 4 to provide necessary flexibility in carrying out certain coordinating and advisory functions now vested in specific statutory committees. The plan would abolish the National Housing Council, the National Advisory Council on International Monetary and Financial Problems, the Board of the Foreign Service, the Board of Examiners of the Foreign Service and the Civilian-Military Liaison Committee established in the National Aeronautics and Space Act. Since these groups carry out functions which may be of direct Presidential concern, the plan provides for the transfer of their functions to the President and gives him the authority to provide for their performance. It should be noted that the President has said:

Wherever the continuing need for and usefulness of a committee has been demonstrated, I would anticipate the establishment of a successor committee along the general lines of the body now provided by law. Certainly prompt action will be taken to create successor committees to such bodies as the Board

of Foreign Service and the National Advisory Council on International Monetary and Financial Problems.

The reorganization plan would also abolish the Advisory Council on Group Insurance, the Loan Policy Board of the Small Business Administration, the Bonneville Power Advisory Board and the Atomic Weapons Awards Board. Those groups perform functions primarily of concern to certain agency heads, and their functions would be transferred to those agency heads who would provide for their performance in an appropriate manner. Finally, the plan would abolish the statutory requirement that the Secretary of Health, Education, and Welfare consult with the President's Committee on Juvenile Delinquency and Youth Crime on matters of general policy and procedures arising in the administration of the Juvenile Delinquency and Youth Offenses Control Act of 1961 and consider recommendations of that Committee. The President's Committee was established by Executive Order No. 10940, May 11, 1961.

As a result of the taking effect of the reorganization plan, the President and the heads of the agencies involved will have the necessary authority and flexibility to carry out, in a manner appropriate to meet current needs, the coordinating and advisory functions of groups being abolished. The plan will assure that timely and efficient mechanisms can be utilized. Accordingly, I recommend that Reorganization Plan No. 4 of 1965 be allowed to become effective.

I would also like to point out that the reorganization plan represents only a part of the administration's program to control and manage the approximately 550 interagency committees that now exist. The guidelines for that program are contained in the Bureau of the Budget Circular No. A-63, entitled "Management of Interagency Committees." The circular places the principal responsibility for committee management on agency heads, requires periodic reviews and reports, and a positive determination by the agency head before any committee can continue for longer than 2 years. Under the circular, the Bureau also retains the authority to approve the use of certain devices such as dual or rotating chairmanships and the financing of committees by agency contributions.

Chairman DAWSON. Mr. Reuss.

Mr. REUSS. Thank you, Mr. Chairman.

Mr. Seidman, why does the plan affect these 9 out of the total of 550 interagency committees?

Mr. SEIDMAN. Mr. Reuss, most of the 550 were established by Executive action, so that the President can take the necessary measures to assure modifications to meet current requirements. In other words, they have either been established by Executive order of the President or by administrative action of a department head.

Mr. REUSS. Are these the only nine interagency committees established by statute?

Mr. SEIDMAN. No; they are not.

Mr. REUSS. How many are there?

Mr. SEIDMAN. I think there are approximately 16 such committees.

Mr. REUSS. What about the other seven?

Mr. SEIDMAN. Certain of the other committees which we had excluded from consideration at this time—I think some are questionable. I think other agencies call them committees. Some function in effect as a board of trustees, and have administrative functions vested

in them—such as the Board of Directors of the Virgin Islands Corporation, which technically is an interagency committee. It includes representatives from a number of agencies. But on the other hand, it acts as a Board of Directors of the Virgin Islands Corporation. We excluded that type of body from consideration.

Mr. REUSS. Would you file at this point in the record, Mr. Seidman, a listing of the seven statutory interagency committees or near committees not included in this reorganization order, together with some explanation of why they are not included? I am sure there is a good explanation in each case.

(The listing requested follows:)

LIST OF ADDITIONAL EXECUTIVE BRANCH INTERAGENCY COMMITTEES WHICH MIGHT HAVE BEEN INCLUDED IN REORGANIZATION PLAN NO. 4 OF 1965

There are approximately 52 committees established in statute which include agencies of the executive branch. The largest number of these committees are public advisory groups with one or two agencies included among the members. Several are composed of members from both the legislative and executive branches. These two types of committees fall outside the scope of this reorganization plan. Also excluded from this review are interagency groups which have the status of agencies (e.g. the National Security Council), have quasi-judicial or operating functions (e.g. Foreign Trade Zones Board) or act as Boards of Directors for Federal educational, scientific, or cultural activities (e.g. Board of Trustees of the John F. Kennedy Center for the Performing Arts). The following is a list of the remaining seven executive branch interagency committees which might have been included in the reorganization plan along with the reasons they were excluded.

Name	Reason the committee was not included in the plan
1. Board of Geographic Names-----	Additional members may be added from time to time.
2. Adjustment Assistance Advisory Board.	President has authority to designate additional members.
3. Area Redevelopment Advisory Policy Board.	The Public Works and Redevelopment Act of 1965 permits the President to name all members.
4. Economic Opportunity Council----	Permits the President to add members from time to time.
5. Committee for Statistical Annotation of Tariff Schedules.	No specification of membership or device to be used.
6. Trade Expansion Act Advisory Committee.	President has full authority to name the members.
7. Development Loan Committee----	President has authority to establish membership.

Mr. REUSS. A particularly august interagency committee which you are abolishing under this Reorganization Plan No. 4—though the President notes that he will reconstitute it—is the National Advisory Council on International Monetary and Financial Problems, which was set up under the Bretton Woods legislation in 1944, I believe.

I have had some problems with it in the past because it developed symptoms of bureaucratic sluggishness. I know that on one occasion Congress was sent a document bearing the imprimatur of the National Advisory Council, but when I inquired why it had not been signed by the five members I found out they had not met or really done anything about it—that somebody in the backroom had prepared their recommendation.

How will this reorganization plan change the National Advisory Council?

Mr. SEIDMAN. I can point to some of the problems, Mr. Reuss, which have resulted from the statutory status of the National Advisory Council on International Monetary and Financial Problems.

We are now considering within the executive branch—the Treasury Department has submitted a draft of a proposed Executive order which would reestablish a new—

Mr. REUSS. Would the same members—

Mr. SEIDMAN. They are proposing the same members. One of the problems here is that at the time of the creation of this council, the only significant foreign lending program that we had in the Federal Government was basically the Export-Import Bank. A major concern at the time it was established was really to determine the U.S. Government policy in the International Bank and Fund, and to provide a vehicle for instructing our delegates to the Bank and Fund, and to coordinate their activities with the Export-Import Bank.

Of course, since that time we have developed major international financial programs which are carried out through the Agency for International Development and through the Public Law 480 program of the Department of Agriculture.

Now, the membership of the NAC remains the same. It includes the State Department, Commerce, the Chairman of the Board of Governors of the Federal Reserve System, and the President of the Export-Import Bank.

It is a good question, as to whether the membership ought to be revised in the light of current programs we are carrying out within the Federal Government—particularly should the Secretary of Agriculture be a member—this is certainly one of the questions which ought to be considered.

Mr. REUSS. Under this reorganization plan, it could be abolished and not reconstituted at all, could it not?

Mr. SEIDMAN. That is right. The President may well determine under certain circumstances that other arrangements would be more effective in doing the job that needs to be done.

Mr. REUSS. And as you have indicated, it can equally be reconstituted, but with certain present members left off, and others added.

Mr. SEIDMAN. That is correct. I do not know what the decision will be. For example, I know from time to time the Secretary of Labor has indicated that it might well be appropriate to have the Department of Labor represented on the NAC.

As programs change, we have not wanted to go up for an amendment, merely to change the membership on one of these committees. It is time consuming.

Mr. REUSS. I have had frequent opportunities to deal with the National Advisory Council, and I may say that I am not going to weep at its funeral here. I see no particular reason why it should be retained as a statutory council. Furthermore, I am not at all sure, if I may give some gratuitous advice, that it should be formally reconstituted once and for all. It is set up to give advice on the International Monetary Fund and the World Bank—an agency which now includes several subsidiaries which did not exist back then. And I should think that quite different people might be required to give advice on, let us say, the IDA aspect of the World Bank, than would be required to give advice, let us say, on international monetary matters. Certainly the Secretary of the Treasury ought to give advice on international monetary matters. But I should think that, equally, the Director of the AID should be consulted on what becomes

Mr. SEIDMAN. Well, that is certainly a type of issue that will be given very careful consideration.

Mr. WYDLER. Would the gentleman yield to me at this point?

How many times in the last year did the National Advisory Council meet?

Mr. SEIDMAN. The staff—

Mr. WYDLER. I am talking about the full Council.

Mr. SEIDMAN. The full Council has not met very frequently, and during the period when Mr. Humphrey was Secretary of the Treasury under the Eisenhower administration, it did not meet at all.

Mr. REUSS. The gentleman from New York has put his finger on one of the difficulties. Here you have the Secretary of State and the Secretary of the Treasury, the Secretary of Commerce, plus other important officials on this Council. Yet, under the statute, they are required to give advice on the most picayune little matters concerning the International Monetary Fund. On at least one occasion I was distressed to find that this great organism spoke, yet the Secretaries of State, Treasury, and so on had not really been there, had not met. And while they later hastily got together and signed the document, it was not a very good way of giving advice.

Mr. WYDLER. They ratified it.

Mr. SEIDMAN. I might point out that these committees often do work informally where they involve Cabinet-level people.

In the case of the NAC there is a very active staff for the committee, and problems are considered at the staff level in weekly meetings. This includes not only the staff of the NAC, but of the various agencies.

Very often the principals will talk to each other on the telephone about some of the issues which are before the Council, rather than have a formal meeting. But the bulk of the work certainly is done at the staff level.

Mr. REUSS. Well, I conclude by saying that in general I think this is a useful reorganization plan. But I would hope that the President might review his determination as expressed in your statement that "Prompt action will be taken to create successor committees to such bodies as the National Advisory Council on International Monetary and Financial Problems." I am not really sure that formal committee constitution is what is needed to get this kind of advice, and I would hate to see that done under an Executive order which merely repeats the stratification that Congress achieved when it put this into the law.

Mr. SEIDMAN. We are now soliciting the views of the other agencies in the executive branch on the draft proposed by Treasury, and I am sure we will have suggestions coming from the Department of State and the Agency for International Development and the Department of Agriculture and others as to the course of action which ought to be taken.

I do feel strongly we do need in this particular area a more formal type of coordinating mechanism. This is without saying exactly what its function should be or its membership. But I think there is a need.

Mr. REUSS. Thank you, Mr. Chairman.

Chairman DAWSON. Mr. Erlenborn.

Mr. ERLBORN. I have no questions.

Chairman DAWSON. Mr. Wydler?

Mr. WYDLER. Thank you, Mr. Chairman.

I would like you to explain the final part of this plan, which is the reason why we are not going to have the Secretary of Health, Education, and Welfare consult with the President's Committee any longer. Why is that?

Mr. SEIDMAN. This is a very curious provision in the law. The President's Committee was set up by Executive order. It was not set up in law. And then by statute the Secretary of Health, Education, and Welfare was required to consult with a committee which was created by the President by Executive order. This is a rather anomalous provision. If the President chose to abolish this committee, which he has full authority to do, then there would be a question as to how the Secretary of Health, Education, and Welfare could carry out this function assigned to him by law.

Mr. WYDLER. Is this actually creating a real problem, or is this just something to obviate a problem that might arise, or what?

Mr. SEIDMAN. It obviates a problem that might arise, because it would create difficulties at such time as the President might determine that the President's Committee had outlived its usefulness, and he would want to abolish it. But he would in effect be barred by the existence of this statutory provision—in effect, be debarred from abolishing the Committee, unless he wanted to raise questions with respect to how the Secretary of Health, Education, and Welfare administered this act.

This relates to the general program which the President has instructed us to carry out within the executive branch. In effect the President has said that he wants each interagency committee reviewed each 2 years, and if there isn't an affirmative determination by the responsible official that it needs to be continued, its life ends at the end of 2 years.

The President believes—and I think we have made available to the committee staff a copy of the President's statement on the committee problem—that while the Interagency Committee is a highly useful and often an indispensable device, when they outlive their usefulness, they often become serious obstacles to the most efficient performance of functions within the executive branch of the Government.

The Jackson subcommittee, in their study of national policy machinery, in the Senate, went into this at great length—that the interagency committees very often slow down the process of Government considerably without contributing anything positive.

Mr. WYDLER. Was somebody complaining about this requirement, perhaps the Secretary of Health, Education, and Welfare?

Mr. SEIDMAN. No; there was no complaint. This was part of the general review we undertook of interagency committees at the request of the President. And this was one clearly anomalous provision, where the Congress had by law required an agency head to consult a committee established by the President by Executive order.

Mr. WYDLER. All right.

Now, I am most interested in this elimination of the Civilian Military Liaison Committee in NASA.

Who are the members of that committee?

Mr. SEIDMAN. The Committee has had one meeting in July 1959, and has never met since.

Mr. WYDLER. Well, after seeing some of the problems in that agency, I think they might have met for some good purposes in the

I am just curious—who are the members?

Mr. SEIDMAN. Well, the law provides that the Committee shall consist of a Chairman who should be appointed by the President and serve at the pleasure of the President, one or more representatives from the Department of Defense, and one or more representatives from each of the Departments of Army, Navy, and Air Force, to be assigned by the Secretary of Defense to serve on the Committee. And then representatives from NASA to be assigned by the Administrator, to serve on the Committee, equal in number to the number of representatives assigned to serve on the Committee from Defense. So you have an equal number from Defense and NASA.

We do have another coordinating mechanism here. And this is one of the reasons that this Committee has never met.

The functions which were contemplated would be performed by the Civilian-Military Liaison Committee are now performed by the Aeronautics and Astronautics Coordinating Board, which is co-chaired by the NASA Administrator and the Secretary of Defense.

Mr. WYDLER. In other words, they have raised the level of this Board up in effect.

Mr. SEIDMAN. That is right.

Mr. WYDLER. Because, I will tell you quite frankly, my experience on the Science and Astronautics Committee has been that this area of civil-military liaison is a very important one, and one where we could use improvement. And therefore I would think this would be a little inconsistent to eliminate that Committee if it was really performing any function at all, or if it could perform some useful function.

Mr. SEIDMAN. Well, I think this illustrates the problem—I do not think a statutory committee can achieve the kind of coordination which is desired unless it is suited to the needs which are presented in a particular area. And in this case it was found that other arrangements would be more satisfactory and the Secretary of Defense and the Administrator of NASA established the Aeronautics and Astronautics Coordinating Board.

These committees which are provided for in statute—some of them have never met.

We have one which is included in the plan, the Atomic Weapons Awards Board—which has never met.

Mr. WYDLER. Would that be true of the National Housing Council?

Mr. SEIDMAN. The National Housing Council has not met since 1960.

Mr. WYDLER. Those are all the questions I have, Mr. Chairman.

Mr. HENDERSON. If these committees are set up by statute, isn't there some requirement that they meet; and is this requirement of law being violated?

Mr. SEIDMAN. Mr. Henderson, most of them do not have any requirement in the law as to numbers of meetings. They merely provide for a council and designate the membership and assign to it some broad, general functions. There is usually not a requirement that they have so many meetings per year or so. I do not think any provision of law is being ignored here.

Mr. HENDERSON. What happens to the staffs of these committees that are abolished?

Mr. SEIDMAN. Most of these committees, as I said, have either met very infrequently, or some not at all, and do not have any staff. The staff services are provided from the regular staff of the agency.

The National Advisory Council does have a staff. However, they are on the rolls of the Treasury Department—they are not on the payroll of the Committee or Council itself. So their status will not be changed—particularly in the case of the NAC.

Mr. HENDERSON. Thank you.

Chairman DAWSON. Any further questions of Plan No. 4?

(Whereupon, at 10:30 a.m., the subcommittee proceeded to further business on Reorganization Plan No. 5 of 1965.)

APPENDIX

THE WHITE HOUSE,
Washington, D.C., February 25, 1965.

Memorandum for the heads of Departments and Agencies:

I have just completed a review of 119 interdepartmental committees of the Government that have been established by law or by Presidential directive.

Interdepartmental committees can often greatly facilitate coordination. But extreme care must be exercised to make sure that a committee is the most efficient way to accomplish a given task and to assure that committees are used effectively.

Improper use of committees can waste time, delay action, and result in undesirable compromise. Each participant in committee deliberations should assess the work of the group continuously to assure that it is directed toward valid and useful purposes. Committees that are not clearly accomplishing such purposes should be reformed or abolished.

I have asked the Budget Director to review the need for a number of committees. Where appropriate, he will recommend steps to abolish or merge a number of them, or to have their functions performed in other ways. I want you to lend your full cooperation to this undertaking.

Pursuant to Bureau of the Budget Circular A-63, you will soon be preparing a report on interdepartmental committees for fiscal year 1965. I have asked for a report on the results of this year's review. You should apply the highest standard of usefulness and effectiveness in your review of committees chaired by your agency, however established. I have been advised that 163 committees were terminated in fiscal year 1964, while 203 were established. We can and must do better than this.

On November 19, I said to the Cabinet that to provide for the new programs of the Great Society we must take steps to reform or eliminate existing programs where such action is indicated. This principle should guide you in your review of interdepartmental committees.

LYNDON B. JOHNSON.

Circular No. A-63

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., March 2, 1964.

To: The heads of Executive Departments and Establishments.
Subject: Management of interagency committees.

1. *Purpose and scope.*—This circular sets forth general guidelines and instructions for the establishment, use, and termination of interagency committees. To the extent consistent with law, it applies to all departments and agencies of the executive branch.

For purposes of this circular, the term "interagency committee" means any formally constituted committee, board, commission, council, conference, panel, task force, or other similar group, or any subcommittee or other subgroup thereof, that is composed of officers or employees of more than one department or agency of the Government and that is organized to meet from time to time for purposes of formulating advice or recommendations, or for any other stated purpose.

Executive Order No. 11007 of February 26, 1962, prescribes certain regulations regarding the use of public advisory committees. There are a few such committees which have members from two or more Federal agencies in addition to the public members. Such committees are also included within the scope of this circular which establishes additional (and complementary) guidelines regarding interagency committees.

2. *General policies.*—

(a) *Responsibility for committees.*—The responsibility for the management of interagency committees (hereafter referred to as committees) rests with the chairmen of such committees or, in cases where a subordinate official chairs a committee, with the head of his department or agency. The chairman should be held responsible for the conduct of all committee activities. Dual or rotating chairmanships may have the effect of confusing or dividing responsibility for the committee's work and should generally be avoided.

The chairman should direct the administrative arrangements for the committee including the calling of meetings and preparation of agenda and reports. Secretariat services should generally be provided in full by the chairing agency.

(b) *Agency contributions.*—Contributions by member agencies (other than the chairing agency) to the support of committees should be limited to cases where the subjects to be considered are within the scope of authority and responsibility of several agencies and no single agency has paramount responsibility. If the activities of the committee meet this test and if it is not practicable for the chairing agency to provide for the full support of the committee, consideration should be given to the contribution of the time of agency staff and other participation in kind before transfers of funds are proposed.

Contributions by members which take the form of payments of funds should be used only in those cases where the need is so compelling or urgent that the committee must be established immediately and no practicable alternative can be found to meet its immediate financial needs. Financing of the activities of the committee through a single agency, if feasible, should be recommended to the Bureau of the Budget for consideration in connection with the next budget submission of the chairing agency.

(c) *Approval of exceptions.*—There may be circumstances in which the special needs of a committee require a dual or rotating chairmanship or in which contributions of funds by member agencies are required. In such cases, the prior approval of the Director of the Bureau of the Budget should be obtained. At that time, consideration will also be given to any special funding and administrative support arrangements required by committees with dual or rotating chairmanships. In the case of existing committees which have dual or rotating chairmen or are financed by transfers of funds from several agencies, the approval of the Director of the Bureau of the Budget should be obtained if such arrangements are to be continued when the committees are extended beyond 2 years under the provisions of section 2(g) of this circular.

(d) *Functions of committees.*—Committees are established primarily for the purpose of assuring necessary interagency consideration or coordination of executive branch programs or problems. Committees should be used for such functions as advising, investigating, making reports or recommendations, exchanging views, etc. Responsibility for performance of operating or executive functions, such as making determinations or administering programs, should not be assigned to committees. The committee's "terms of reference" should be defined as accurately as possible; that is, the scope and nature of the committee's assignment, the official to whom the committee will report, and what it is that the committee is expected to do, e.g., advise, investigate, report, recommend, etc.

(e) *Method of establishment.*—Committees should be established insofar as possible, by means which permit maximum flexibility in determining the membership, functions, and duration of the group. Therefore, agencies should not propose the establishment of committees by legislation unless there is a clear need to do so. Further, proposals to establish committees by Executive order should be limited generally to cases where specific delegations of statutory authority or formal assignments of responsibility are being made to a number of agencies and a coordinating committee is to be utilized. Committees dealing with general problems of interagency coordination or cooperation, which can be set up appropriately under existing authority, should be established by less formal documents such as memoranda of agreement, exchange of letters, etc. If they are to be standing committees, notice of their establishment or extension (under section 2(g) of this circular) shall be published in the Federal Register in order to facilitate convenient and permanent reference by Federal agencies, unless this would be inconsistent with law or regulations, or where such publication would not

(f) *Committee membership.*—In order to facilitate the work of committees, the membership should be limited to those agencies having a substantial interest in all major facets of the subjects to be dealt with. Agencies having a limited interest in a committee's work should be invited to participate when matters concerning their area of interest are to be considered. Informal reports should be made to interested but nonparticipating agencies, as necessary.

(g) *Duration of committees.*—Standing committees should be established only when the subject matter clearly indicates that benefit will accrue from recurrent group consideration or coordination. Temporary committees or ad hoc handling and disposition should be used for transitory matters.

Standing committees should be terminated as soon as practicable and ordinarily not later than the end of the second fiscal year after that in which they were established. If the chairing agency determines in writing that the continuation of the committee beyond 2 years is necessary, its life may be extended for one or more additional 2-year periods or for a shorter time.

In the case of committees established by law, Executive order, or pursuant to Presidential direction, the head of the chairing agency shall advise the Director of the Bureau of the Budget if he believes that a committee should be extended beyond 2 years. The Director will make such recommendations to the President as may be appropriate regarding the amendment of laws, Executive orders, or Presidential directives dealing with such committees.

For the purpose of this circular, the date of formation of a committee shall be deemed to be June 30 of the fiscal year in which the committee was established. In the case of committees established prior to July 1, 1962, the date of formation shall be deemed to be June 30, 1962. (Extensions of committees also covered by Executive Order 11007 will be handled in conformity with the provisions of that order and will be reported on under this circular for the fiscal year in which the extension occurs.)

3. *Committee management liaison.*—The head of each agency responsible for the management of committees shall designate an officer to assist him in the discharge of his responsibilities under this circular. The name, title, office and telephone number of this officer should be transmitted to the Bureau of the Budget by May 31, 1964. Changes in the designation of such officers should be reported promptly.

4. *Committee management program.*—The head of each agency will issue such internal agency orders as are necessary to carry out the policies under this circular. As a minimum, such issuances should provide for maintenance of a file containing the information listed in the attachment on each committee and subcommittee chaired by the agency.

5. *Nomenclature.*—In order to achieve uniformity within the executive branch, designation of types of committee established hereafter should be in accordance with the following guidelines:

(a) The terms "commission," "council," or "board" may be confused with independent agencies of the executive branch and should be reserved for committees established by legislation.

(b) All interagency groups of a continuing nature (standing committees) established by other means should be called "committees" and their subordinate units should be called "subcommittees."

(c) All ad hoc groups should have titles giving a clear indication of their temporary status. Terms such as "conference," "task force," "team," "party," "group," "panel," etc., can be used to denote such groups.

Where feasible, committees already in existence should have their titles changed (at the time of their extension or otherwise) in order to bring them into conformity with the preceding guidelines.

6. *Reports.*—Each agency shall submit a report on the committees and subcommittees which it chairs to the Bureau of the Budget by April 30 of each year, covering the current fiscal year. The report shall include the following information:

(a) The names of committees established by legislation, Executive order, or at the direction of the President which are in existence at the time of the report and, when required under the provisions of section 2(g) of this circular, recommendations regarding the continuation of such committees.

(b) The names of committees which are supported by interagency contribution of funds or which have dual or rotating chairmanships and, when required under the provisions of section 2(c) of this circular, proposals regarding the continuation of such arrangements.

(c) Notice of the intended continuation of committees beyond 2 years under the provisions of section 2(g) of this circular. Such reports shall contain an explanation of the accomplishments of the committee and the reasons for its continuation.

(d) The number of all other committees and subcommittees classified as standing or ad hoc, and, for each category, the number created, the number terminated, and the number in existence at the beginning and end of the fiscal year.

(The first report under this circular should be submitted by May 31, 1964. In the case of committees whose date of formation is deemed to be June 30, 1962, under the provisions of section 2 above, the first report shall include the information required in connection with the continuation of such committees.)

Inquiries to the Bureau of the Budget about this circular should be addressed to the Office of Management and Organization (code 128, extension 21764).

KERMIT GORDON, Director.

[Attachment—Circular No. A-63]

DATA TO BE MAINTAINED IN AGENCY COMMITTEE MANAGEMENT FILES

1. Name of each committee or subcommittee chaired by the agency.
2. The means and date of its establishment and the name and title of the official who established the committee.
3. The departments and agencies which are members of the committee or subcommittee and those agencies which send observers. Also, the names and titles of the chairman and other members serving on the committee.
4. A list of all subcommittees (and their chairmen) for each parent committee.
5. The "terms of reference" of the committee or subcommittee (as described in section 2(d)).
6. The estimated duration of the committee or subcommittee.
7. A description of the financing arrangements; a statement of the funding source or sources; a listing of agency contributions, where authorized; and a statement of the authority through which the committee is given financial support.
8. An estimate of all other costs of the committee, including agency staff time (other than secretariat) devoted to committee work, except in cases where the staff time represents less than one-fourth of a man-year.
9. The secretariat and staff, including the size and organizational location or an estimate of the man-hours required for performing secretariat services, and an estimate of the costs involved in the performance of secretariat functions.